Congress and the intervening redesignation of subsec. (g) as (h) by Pub. L. 101–189, 727(a)(1), see below. Pub. L. 101–189, 727(a)(1), redesignated subsec. (g) as

(h).

# Effective Date of 1994 Amendment

Pub. L. 103-337, div. A, title X, §1070(b), Oct. 5, 1994, 108 Stat. 2856, provided that the amendment made by that section is effective as of Nov. 30, 1993, and as if included in the National Defense Authorization Act for Fiscal Year 1994, Pub. L. 103-160, as enacted.

## EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101-510, div. A, title VII, §713(e), Nov. 5, 1990, 104 Stat. 1584, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to health care services provided in a medical facility of the uniformed services after the date of the enactment of this Act [Nov. 5, 1990], but not with respect to collection under any insurance, medical service, or health plan agreement entered into before the date of the enactment of this Act that the Secretary of Defense determines clearly excludes payment for such services. Such an exception shall apply until the amendment or renewal of such agreement after that date."

## EFFECTIVE DATE OF 1989 AMENDMENT

Pub. L. 101-189, div. A, title VII, §727(b), Nov. 29, 1989, 103 Stat. 1480, provided that: "The amendment made by this section [amending this section] shall take effect on October 1, 1989, and shall apply to amounts collected under section 1095 of title 10, United States Code, on or after that date."

## EFFECTIVE DATE

Pub. L. 99-272, title II, §2001(b), Apr. 7, 1986, 100 Stat. 101, provided that: "Section 1095 of title 10, United States Code, as added by subsection (a), shall apply with respect to inpatient hospital care provided after September 30, 1986, but only with respect to an insurance, medical service, or health plan agreement entered into, amended, or renewed on or after the date of the enactment of this Act [Apr. 7, 1986]."

PILOT PROGRAM ON INCREASED THIRD-PARTY COLLEC-TION REIMBURSEMENTS IN MILITARY MEDICAL TREAT-MENT FACILITIES

Pub. L. 113-66, div. A, title VII, §712, Dec. 26, 2013, 127 Stat. 793, provided that:

(a) PILOT PROGRAM.-

"(1) IN GENERAL.—The Secretary of Defense, in coordination with the Secretaries of the military departments, shall carry out a pilot program to demonstrate and assess the feasibility of implementing processes described in paragraph (2) to increase the amounts collected under section 1095 of title 10, United States Code, from a third-party payer for charges for health care services incurred by the United States at a military medical treatment facility.

ity. "(2) PROCESSES DESCRIBED.—The processes described in this paragraph are commercially available enhanced recovery practices for medical payment collection, including revenue-cycle management together with rates and percentages of collection in accordance with industry standards for such practices. "(b) REQUIREMENTS.—In carrying out the pilot program under subsection (a)(1), the Secretary shall—

"(1) identify and analyze the best practice option, including commercial best practices, with respect to the processes described in subsection (a)(2) that are used in nonmilitary health care facilities; and

 $^{\prime\prime}(2)$  conduct a cost-benefit analysis to assess measurable results of the pilot program, including an analysis of—

"(A) the different processes used in the pilot program;

"(B) the amount of third-party collections that resulted from such processes;

 $``(\mathbf{C})$  the cost to implement and sustain such processes; and

"(D) any other factors the Secretary determines appropriate to assess the pilot program. "(c) LOCATIONS.—The Secretary shall carry out the

pilot program under subsection (a)(1)—

"(1) at military installations that have a military medical treatment facility with inpatient and outpatient capabilities; and

"(2) at a number of such installations of different military departments that the Secretary determines sufficient to fully assess the results of the pilot program.

<sup>7</sup>(d) DURATION.—The Secretary shall commence the pilot program under subsection (a)(1) by not later than 270 days after the date of the enactment of this Act [Dec. 26, 2013] and shall carry out such program for three years.

"(e) REPORT.—Not later than 180 days after completing the pilot program under subsection (a)(1), the Secretary shall submit to the congressional defense committees [Committees on Armed Services and Appropriations of the Senate and the House of Representatives] a report describing the results of the program, including—

"(1) a comparison of—

"(A) the processes described in subsection (a)(2) that were used in the military medical treatment facilities participating in the program; and

"(B) the third-party collection processes used by military medical treatment facilities not included in the program;

"(2) a cost analysis of implementing the processes described in subsection (a)(2) for third-party collections at military medical treatment facilities;

"(3) an assessment of the program, including any recommendations to improve third-party collections; and

"(4) an analysis of the methods employed by the military departments prior to the program with respect to collecting charges from third-party payers incurred at military medical treatment facilities, including specific data with respect to the dollar amount of third-party collections that resulted from each method used throughout the military departments."

## § 1095a. Medical care: members held as captives and their dependents

(a) Under regulations prescribed by the President, the Secretary concerned shall pay (by advancement or reimbursement) any person who is a former captive, and any dependent of that person or of a person who is in a captive status, for health care and other expenses related to such care, to the extent that such care—

(1) is incident to the captive status; and

(2) is not covered-

(A) by any other Government medical or health program; or

(B) by insurance.

(b) In the case of any person who is eligible for medical care under section 1074 or 1076 of this title, such regulations shall require that, whenever practicable, such care be provided in a facility of the uniformed services.

(c) In this section:

(1) The terms "captive status" and "former captive" have the meanings given those terms in section 559 of title 37.

(2) The term "dependent" has the meaning given that term in section 551 of that title.

(Added Pub. L. 99-399, title VIII, §806(c)(1), Aug. 27, 1986, 100 Stat. 886, §1095; renumbered §1095a, Pub. L. 100-26, §7(e)(2), Apr. 21, 1987, 101 Stat. 281;

amended Pub. L. 100-526, title I, §106(b)(1), Oct. 24, 1988, 102 Stat. 2625.)

## Amendments

1988—Subsec. (c). Pub. L. 100-526 substituted "The terms 'captive status'" for "'Captive status'" in par. (1), and "The term 'dependent'" for "'Dependent'" in par. (2).

#### EFFECTIVE DATE; REGULATIONS

Pub. L. 99-399, title VIII, §806(c)(3), Aug. 27, 1986, 100 Stat. 886, provided that:

"(A) Section 1095 [now 1095a] of title 10, United States Code, as added by paragraph (1), shall apply with respect to any person whose captive status begins after January 21, 1981.

"(B) The President shall prescribe specific regulations regarding the carrying out of such section with respect to persons whose captive status begins during the period beginning on January 21, 1981, and ending on the effective date of that section [Aug. 27, 1986]."

#### DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of Defense, see section 3 of Ex. Ord. No. 12598, June 17, 1987, 52 F.R. 23421, set out as a note under section 5569 of Title 5, Government Organization and Employees.

# § 1095b. TRICARE program: contractor payment of certain claims

(a) PAYMENT OF CLAIMS.—(1) The Secretary of Defense may authorize a contractor under the TRICARE program to pay a claim described in paragraph (2) before seeking to recover from a third-party payer the costs incurred by the contractor to provide health care services that are the basis of the claim to a beneficiary under such program.

(2) A claim under this paragraph is a claim— (A) that is submitted to the contractor by a provider under the TRICARE program for payment for services for health care provided to a covered beneficiary; and

(B) that is identified by the contractor as a claim for which a third-party payer may be liable.

(b) RECOVERY FROM THIRD-PARTY PAYERS.— The United States shall have the same right to collect charges related to claims described in subsection (a) as charges for claims under section 1095 of this title.

(c) DEFINITION OF THIRD-PARTY PAYER.—In this section, the term "third-party payer" has the meaning given that term in section 1095(h) of this title, except that such term excludes primary medical insurers.

(Added Pub. L. 105-261, div. A, title VII, §711(a)(1), Oct. 17, 1998, 112 Stat. 2058; amended Pub. L. 106-65, div. A, title VII, §716(c)(2), Oct. 5, 1999, 113 Stat. 692.)

## Amendments

1999—Subsec. (b). Pub. L. 106-65 substituted "The United States shall have the same right to collect charges related to claims described in subsection (a) as charges for claims under section 1095 of this title." for "A contractor for the provision of health care services under the TRICARE program that pays a claim described in subsection (a)(2) shall have the right to collect from the third-party payer the costs incurred by such contractor on behalf of the covered beneficiary. The contractor shall have the same right to collect

such costs under this subsection as the right of the United States to collect costs under section 1095 of this title."

# §1095c. TRICARE program: facilitation of processing of claims

(a) REDUCTION OF PROCESSING TIME.—(1) With respect to claims for payment for medical care provided under the TRICARE program, the Secretary of Defense shall implement a system for processing of claims under which—

(A) 95 percent of all clean claims must be processed not later than 30 days after the date that such claims are submitted to the claims processor; and

(B) 100 percent of all clean claims must be processed not later than 100 days after the date that such claims are submitted to the claims processor.

(2) The Secretary may, under the system required by paragraph (1) and consistent with the provisions in chapter 39 of title 31 (commonly referred to as the "Prompt Payment Act"), require that interest be paid on clean claims that are not processed within 30 days.

(3) For purposes of this subsection, the term "clean claim" means a claim that has no defect, impropriety (including a lack of any required substantiating documentation), or particular circumstance requiring special treatment that prevents timely payment on the claim under this section.

(b) REQUIREMENT TO PROVIDE START-UP TIME FOR CERTAIN CONTRACTORS.—(1) Except as provided in paragraph (3), the Secretary of Defense shall not require that a contractor described in paragraph (2) begin to provide managed care support pursuant to a contract to provide such support under the TRICARE program until at least nine months after the date of the award of the contract, but in no case later than one year after the date of such award.

(2) A contractor under this paragraph is a contractor who is awarded a contract to provide managed care support under the TRICARE program—

 $\left( A\right)$  who has not previously been awarded such a contract by the Department of Defense; or

(B) who has previously been awarded such a contract by the Department of Defense but for whom the subcontractors have not previously been awarded the subcontracts for such a contract.

(3) The Secretary may reduce the nine-month start-up period required under paragraph (1) if— (A) the Secretary—

(i) determines that a shorter period is sufficient to ensure effective implementation of all contract requirements; and

(ii) submits notification to the Committees on Armed Services of the House of Representatives and the Senate of the Secretary's intent to reduce the nine-month start-up period; and

(B) 60 days have elapsed since the date of such notification.

(c) INCENTIVES FOR ELECTRONIC PROCESSING.— The Secretary of Defense shall require that new