BY ORDER OF THE SECRETARY OF THE AIR FORCE

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Health Services

MEDICAL RESOURCE OPERATIONS

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This instruction implements AFPD 41-1, *Health Care Programs and Resources.* It provides guidelines for flight commanders of either the Resource Management Flight or the Business Operations & Beneficiary Support Flight in military medical treatment facilities (MTF). This instruction does not apply to the Air Force Reserve or Air National Guard. Maintain and dispose of records created as a result of prescribed processes in accordance with AFMAN 37-139, *Records Disposition Schedule.* Send comments and suggested improvements on AF Form 847, *Recommendation for Change of Publication,* through channels to HQ USAF/SGMC, 110 Luke Avenue Room 400, Bolling AFB DC 20332-7050.

SUMMARY OF REVISIONS

This revision provides general updates to resource programs, establishes requirements for the Medical Annual Planning and Programming Guidance (MAPPG), deletes requirement for a self-inspection program, and provides minimum program management requirements for the Business Office to include the Medical Affirmative Claims (formerly Third Party Liability). Deletes requirement for formally aligning the Air Force Suggestion Program with the Medical Resource Operations function. A bar (|) indicates revisions from the previous edition.

Section A—Overview

1. Concept of Operations. The Resource Management Flight or Business Operations & Beneficiary Support Flight, depending on organizational alignment, is responsible to the medical group commander (MDG/CC) for effective management of medical resources.

2. The Flight Commander. This person is a key advisor to all Squadron Commanders and the MDG/CC and should participate in MTF Executive Committee meetings on a regularly scheduled basis to brief or discuss resource management issues. Every MTF should have a full-time Flight Commander.

3. Major Functions and Responsibilities:

3.1. Financial Management .

3.1.1. Plan, execute, account, manage, and analyze MTF financial resources. Primary financial management should focus on optimizing the MTF's performance under the Military Health System (MHS) Optimization Plan and Primary Care Optimization.

3.1.2. In facilities without a Business Operations and Beneficiary Support Flight, coordinate with the Tricare Flight as necessary for management of the MTF's enrolled population.

3.1.3. Manage resources for sharing with external agencies, such as the Department of Veteran's Affairs.

3.1.4. The Flight Commander should be a member of the base financial working group.

3.2. Manpower Programs .

3.2.1. Perform analysis for Medical Annual Planning and Programming Guidance (MAPPG), collect personnel utilization data, prepare requests for changes to manpower requirements and authorizations, and participate in the review and validation of manpower requirements.

3.2.2. Coordinate with wing (XP) counterparts on manpower and organizational structure changes ensuring compliance with Objective Medical Group (OMG) guidelines. This includes implementation of new organizational structure codes (OSC) and requesting updates to unit manpower documents.

3.3. Business Office .

3.3.1. Manage accounts receivable through the Medical Service Account (MSA) and the Third Party Collection (TPC) Program. Maintain a complete and reliable financial record of the operations covered.

3.3.2. Oversee coordination of the Third Party Liability (TPL)/Medical Affirmative Claims (MAC) program with the Staff Judge Advocate (SJA). Further instruction on these programs is contained in DoD Manual 6010.15, *Uniform Business Office* and AFI 41-115, Authorized Health Care and Health Care Benefits in the Military Health Services System.

3.4. Beneficiary Support . The Flight Commander in organizations with an established Business Operations & Beneficiary Support Flight performs this function. If this flight is not established, the Flight Commander, Tricare Flight will perform this function.

3.4.1. Member Services. Manage a range of services to support DoD beneficiaries to include health benefit counseling, TRICARE enrollment, marketing and education, appointments, referrals, claims, information desk, patient advocacy (including grievances and benefit management), access standards, and clinic liaison.

3.4.2. Provider Services. Manage a range of services to support both in-house and external providers and manage referrals to these providers.

3.4.3. Utilization Management/Utilization Review. Ensure cost-effective patient management and integration with other activities that share common information such as provider profiling, utilization metrics, resource sharing/resource support, and business case analysis activities.

3.4.4. Act as the Managed Care Support Contractor (MCSC) Liaison and ensure Contract Officer Technical Representative (COTR) activities are accomplished.

3.4.5. Work with the MCSC on resource sharing and resource support issues.

3.4.6. Perform strategic planning and marketing activities related to managed care operations.

3.4.7. Coordinate with the DoD Health Services Regional Lead Agent as appropriate.

3.4.8. Ensure Debt Collection Assistance Officers (DCAOs) are implemented. DCAOs are mandated at each MTF and lead agent office. Upon notification and presentation of appropriate documentation of a debt collection or adverse credit rating issue due to an unpaid TRICARE bill, DCAOs assume responsibility and work the case to conclusion. An implementation and training guide is available on the TMA web site, **http://www.tricare.osd.mil/dcao**. Access is restricted to DCAOs and not for public use. DCAOs should contact their lead agent for instructions to access this web site.

3.4.9. Ensure Beneficiary Counseling and Assistance Coordinators (BCACs) are implemented. BCACs are mandated in Chapter 55 of title 10 United States Code, at each TRICARE Lead Agent (Regional) Office and Military Treatment Facility. BCACs provide beneficiaries with health benefit information and act on their behalf to resolve care issues such as claims, appointments and enrollment.

3.5. Information Management/Information Technology (IM/IT) . When no IM/IT Flight exists, the Resource Management Flight performs these functions according to guidance in AFI 41-211, *The Medical Information Systems Management Program.*

3.6. Internal Management Control Program .

3.6.1. Implements the MTF's Internal Management Control Program. Conducts the annual program assessment and reports identified materiel weaknesses through the Base Financial Management channels, major command (MAJCOM) and Secretary of the Air Force, Financial Management.

3.6.2. Key member of the Data Quality Team, to include the Budget Analyst, MEPRS Program Manager, and Uniform Business Office Manager (as needed) to ensure reliable, consistent, and accurate data is captured, coded, and reported according to published guidelines, AFI 41-102, *Department of Defense Medical Expense and Performance Reporting System (MEPRS) for Fixed Military Medical and Dental Treatment Facilities,* and AFI 41-210, *Patient Administration Functions.*

4. Responsibility for Allocating Medical Resources. The MDG/CC determines how medical resources are used internally to meet the unit's mission, within financial management guidance as disseminated by HQ USAF/SGMC via the MAJCOM. The Flight Commander will:

4.1. Analyze demographics of the enrolled beneficiary population.

4.2. Analyze recurring workload experience, resource consumption reports, and other performance measures.

4.3. Compile, analyze, and interpret performance data for MEPRS work centers and cost centers.

4.4. Determine resources required to support medical plans and programs.

4.5. Provide cost center managers with analysis of the MTFs performance, enrolled population, workload, resource consumption, and unit cost information at least quarterly.

4.6. Perform special management analysis and studies as required.

4.7. Establish a program for Third Party Collections, incentives, and revenue distribution.

4.8. Analyze patient referrals to determine opportunities for recapture and to monitor private sector care expenditures in relation to the MCSC bid price adjustment and active duty supplemental care.

5. Management and Economic Analysis .

5.1. Manages data collection, reporting, and analysis requirements of the DoD Medical Expense and Performance Reporting System (MEPRS), the biometrics program, and other health care statistical data.

5.2. Performs strategic planning and business case analysis as required by the MDG/CC.

5.3. Monitors and analyzes private sector care referrals and associated expenditures. Identifies opportunities to recapture patient care being accomplished in the civilian community.

5.4. Responsible for cost effectiveness analysis related to Primary Care Optimization.

Section B—Financial Management

6. Financial Programs. The Flight Commander will:

6.1. The Budget :

6.1.1. Determine funding needed to operate and maintain the MTF.

6.1.2. Prepare necessary budget exhibits.

6.2. Execution :

6.2.1. Spend authorized funds.

6.2.2. Ensure optimum use of quarterly expense authority.

6.2.3. Determine funding needs based on established guidance and validated requirements.

6.3. Accounting :

6.3.1. Account for all funds allocated for operation of the medical facility.

6.3.2. Certify accuracy of expenses and obligations prior to Expense Assignment System (EAS)/ MEPRS interface. Coordinate with Base Financial Office and Defense Finance and Accounting Services (DFAS) to minimize edit requirements prior to interface.

6.3.3. Administer and account for expenses under the MEPRS.

6.4. Cost Center Management (CCM) :

6.4.1. Manage the MTF CCM program.

6.4.2. Serve as chairman of the CCM Function.

6.4.3. Train cost center managers so as to involve them in the resourcing process.

6.4.4. Recognize outstanding cost center manager contributions.

6.4.5. Allocate funds to cost centers.

6.4.6. Implement cost containment initiatives.

6.4.7. Promote resource protection.

6.4.8. Develop and maintain the *Cost Center Manager's Guide*.

6.4.9. Provide quarterly briefings to the Executive Committee.

6.5. Fiscal Analysis :

6.5.1. Perform economic analyses.

6.5.2. Develop standard costs and forecasts of resource requirements.

6.5.3. Audit the MEPRS expense and obligation data.

6.5.4. Analyze significant variations in fiscal quarter data.

7. Capitation Financing. Unlike other areas within DoD, the MHS provides funding to the Air Force Medical Service (AFMS), and in-turn the MAJCOMs and MTFs, based on a capitated financing approach. One of the basic purposes of capitation is to empower the MTF to provide health care services to an enrolled population with a predetermined level of financial resources. Within the Budget Activity Group guidance (paragraph **6.2.**), the MTF determines how best to allocate those resources among the full spectrum of health care services to best meet the health and wellness needs of the enrolled population.

7.1. Capitation Categories. The DoD capitation methodology is composed of three distinct categories. Each category's capitation figures include components for both military personnel funding (MILPERS) and operations and maintenance funds (O&M).

7.1.1. Capitation Category 1, Military Medical Support. This funding category is actually not capitated, but funded based on validated requirements. It includes those medical operations that support broader military operations such as overseas medical operations, aeromedical evacuation, environmental compliance, and initial outfitting expenses.

7.1.2. Capitation Category 2, Military Unique. This category provides funding for military unique activities not normally associated with civilian managed care plans. This category is subdivided into the following:

7.1.2.1. Capitation Category 2a, Military Unique and Medical Readiness. This subcategory is capitated based on the military active duty end-strength within each MTF's catchment area. It provides funding for such activities as readiness planning and exercises, dental care, occupational health, military funded emergency leave, veterinary services, and physiological training flights.

7.1.2.2. Capitation Category 2b, Military Medical Education and Training. This subcategory is capitated based on the military medical active duty end-strength at each MTF. It provides funding for all activities associated with continuing education and skill training for military medical personnel.

7.1.3. Capitation Category 3, Peacetime Healthcare. This category includes all other direct care funding for CONUS MTFs.

(NOTE: Although Capitation Financing has for the most part been "overtaken" by the Budget Activity Group structure below, it is still used at the Headquarters level for several purposes and may be required in the future by capitation category, especially in light of ongoing Defense Health Program restructuring.)

7.2. Budget Activity Groups (BAG). Commanders and Flight Commanders must aggressively review and manage MTF operations according to the BAG funding structure mandated by the TRICARE Management Activity (TMA). BAGs are defined by the Program Elements (PE) contained therein. The PEs are defined in DoD 7045.7-H, *Future Year Defense Program (FYDP) Structure, Appendix D* (**http://web7.whs.osd.mil/pdf2/70457h(7-00)/70457h.pdf**). BAG structure is as follows:

7.2.1. BAG 01 - In House Care: Includes PEs 87700, 87900, 87715, and 87915.

7.2.2. BAG 02 - Private Sector Care (PSC): Includes PEs 87713 and 87723 (only used by TMA).

7.2.3. BAG 03 - Consolidate Health Support (CHS): Includes PECs 81720, 87705, 87714, 87724, 87725, 87760, and 87785 (not used by AF facilities).

7.2.4. BAG 04 - Information Management/Information Technology (IMIT): Includes PEC 87791 (used only by TMA), 87793 (used only by TMA) and 87781 (beginning in FY02).

7.2.5. BAG 05 - Management Activities (MA): Used by MAJCOM Headquarters or TMA only. Includes PECs 87798 and 87709.

7.2.6. BAG 06 - Education and Training (E&T): Includes PECs 86721 (not used by AF), 86722 and 86761.

7.2.7. BAG 07 - Base Operating Support (BOS): Includes 87753 (not used by AF), 87754 (not used by AF), 87756, 87776, 87976, 87778, 87978, 87779, 87979, 87795, 87995, 87796, 87996, and 87790. PECs 86276, 86376, 86278 and 86278 will replace PECs 87776,87976, 87778 and 87978 respectively, beginning in FY02.

7.2.8. BAG 08 - Pharmacy: Includes PEC 87701, 87702, and 87901, beginning in FY02.

7.3. Execution of Allocated Funds . Day-to-day execution of funding still follows Air Force-wide established policies, procedures, and accounting methods. Use AFI 65-601, Volume I, *Budget Guidance and Procedures*, in addition to MAJCOM guidance and other Air Force financial guidance during execution of available funds.

7.4. Equipment, Maintenance and Special Financial Requirements : Identification of MTF financial requirements continues throughout the year. New and replacement equipment, facility maintenance and repairs, and special and unusual circumstances generate requirements that are an important part of sustaining medical operations. The Flight Commander ensures frequent contact is made with key medical facility personnel, obtains requirements from cost center managers, gathers enrollment, workload and expense data, and applies knowledge of future program expansion or medical service closures to outline future requirements. These requirements are then validated and prioritized with MAJCOMs and HQ USAF.

7.4.1. Expense Equipment. Identify expense equipment requirements for each budget year. Programmed replacement factors for many types of expense equipment are based on an average life of 8 years.

7.4.2. Investment Equipment. Develop the program in conjunction with the Medical Logistics Flight for at least the current budget year plus two additional years and revise as necessary. This is a continuous process and involves each key manager in the MTF. The advice of the medical maintenance staff should be considered in determining the estimated life of equipment. The end result of the long-range investment equipment program will reflect realistic procurement requirements to support the goals of the medical facility. Consider any associated O&M funding requirements (e.g. sustainment and maintenance costs) when budgeting for investment equipment.

7.4.3. Real Property Maintenance. Real Property Maintenance Account (RPMA) funds are allocated based on Plant Replacement Value (PRV). The AFMS target each year is to provide RPMA funding equal to 3% of PRV. MTFs and MAJCOMs will determine how much of the allocation goes for facility maintenance and how much for repair or minor construction projects and design services.

7.5. Budgeting for the Defense Business Operations Fund (DBOF), Medical-Dental Stock Division . Through the Medical Logistics Flight, the Air Force Medical Logistics Office (AFMLO) manages, prepares, and provides annual guidance for this fund. The Flight Commander must take an active interest in the DBOF, since MTF operations affects the projected sales forecast of the DBOF. The DBOF procures materiel with DBOF money and issues it to the consumer. The MTF reimburses the DBOF for the materiel when it is issued.

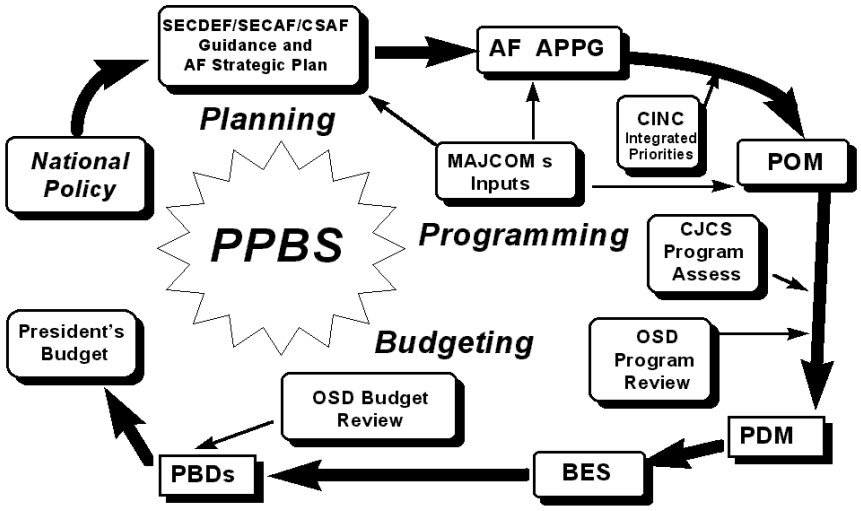
8. Programming and the AFMS: The Planning Programming and Budgeting System (PPBS) is the DoD resources management system controlled by the Secretary of Defense and used to establish, maintain, and revise the Future Years Defense Program and DoD portion of the President's Budget. It is a biennial cycle process containing three interrelated phases: planning, programming, and budgeting.

8.1. As part of the PPBS, DoD created the concept of the Future Years Defense Program (FYDP) to provide a multi-year focus for the Defense Program. The PPBS is a continuous cycle without a definite start or end, and the PPBS segments in any given year overlap segments of a number of other years.

8.2. The Air Force Program as described in the PB is the result of the Air Force PPBS. The Air Force Program evolves from a series of resource allocation decisions and is based on the collective requirements and programs of all Air Force organizations. These requirements and programs are documented in the POM, BES, and PB.

8.3. The ultimate objective of the PPBS is to provide the best mix of forces, equipment, and support attainable within fiscal constraints" (DoD Directive 7045.14). Bottom line, the PPBS (Figure 1) enables senior leadership to assess alternative ways to achieve these goals.

Figure 1. The PPBS



8.4. Annually, the OSD publishes Fiscal Guidance (FG) and the Defense Planning Guidance (DPG) for the FYDP. The FG sets the overall amount of Total Obligation Authority (TOA) for each of the Services' and the DoD Agencies. FG is usually published 1 March, near the start of the POM cycle. The DPG provides broad and sometimes very specific planning and programming guidance intended to fulfill the National Security Strategy and National Military Strategy. The DPG has typically been published around April, near the start of the final POM deliberations.

8.5. In the POM, the Air Force employs the Air Force Corporate Structure to match available resources against validated requirements to create a balanced Air Force Program for the FYDP. The Air Force Corporate Structure provides the corporate review as a basis for centralized decisions by SECAF and the CSAF. With participation by the CINCs, MAJCOMs, FOAs, and DRUs, it provides the necessary programmatic information to the SECAF and CSAF.

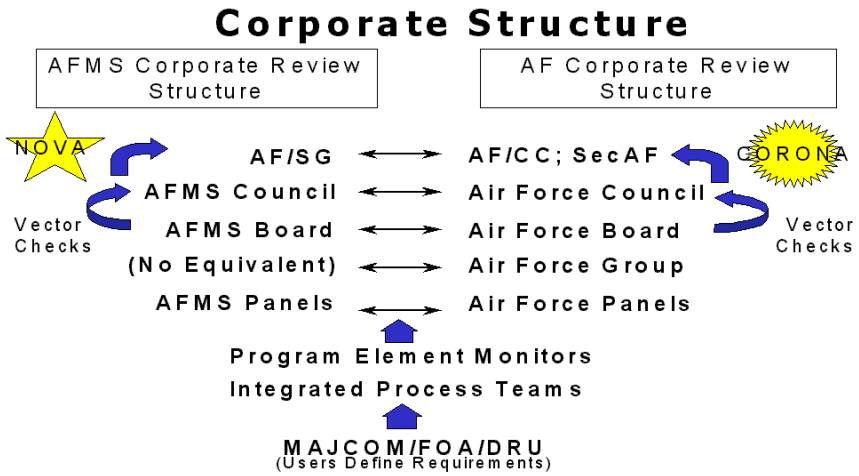
8.6. The baseline for the start of the POM is always the previous PB, and in turn, provides the basis for the BES.

8.6.1. The POM integrates operational requirements with projected fiscal, manpower, and materiel resources. It involves balancing readiness and sustainability, force structure, infrastructure, and modernization requirements to ensure a warfighting capability for both today and the future.

8.6.2. Underlying the entire process is the overarching importance of recruiting, training, and maintaining quality personnel–the key to both near-term stability and future capability. The careful balancing of all these factors, supported by extensive analysis, yields a program that is responsive to Air Force, joint, and cross-service program requirements.

8.7. In order to successfully navigate the PPBS, the AFMS utilizes a similar corporate structure (AFMSCS). The primary objective of the AFMSCS is to enhance cross-functional decision-making, formally empower the corporate structure organizations, improve lines of communication, and ultimately provide the best possible recommendations to the Air Force Surgeon General. Figure 2 illustrates the overall AFMSCS business approach as it compares to the Air Force Corporate Structure.

Figure 2. Comparing the AFMSCS and the Air Force Corporate Structure



8.8. During POM development, the traditional bottom-up "vetting" of issues begins with inputs from the MAJCOMs, Direct Reporting Units (DRUs), and Field Operating Agencies (FOAs) to the Panels. Additionally, throughout the remainder of the year MAJCOMs, DRUs, and FOAs work through the AFMSCS review processes, functional organizations, Panels, and Integrated Process Teams (IPTs) for program adjustments and specific issues.

8.9. Additional information on the PPBS and Air Force Corporate Structure are available at the HQ USAF/XP web site **http://www.xp.hq.af.mil/XPP/main/air_force_corporate_structure.htm**

9. Cost Center Management (CCM). The appropriate Squadron Commander will appoint MTF cost center managers. At larger MTFs, Squadron Commanders may designate resource coordinators for major functional areas (e.g. inpatient operations, outpatient operations, surgical services, administrative support functions, etc.). The Flight Commander maintains close contact with cost center managers through periodic visits and quarterly cost center management function meetings.

9.1. Initial/Ongoing Training.

9.1.1. The Flight Commander or designee meets with newly appointed cost center managers to discuss local resource management policies and procedures, resource allocation needs, manpower management, workload reporting, and MEPRS requirements. The Flight Commander establishes ongoing training to focus on initial CCM indoctrination, current CCM problem areas, and other areas needing more in-depth discussion.

9.1.2. The Flight Commander will conduct CCM Function meetings at least quarterly for updates, budget requirements, and ongoing training. The Executive Committee will review minutes of CCM Function and copies will be provided to all cost center managers and resource coordinators.

9.2. Cost Center Manager's Guide . The Flight Commander will produce this guide as a local pamphlet and update as needed. The guide must contain information about the Air Force's resource management system (RMS), financial management strategies, local resource management policies and procedures, manpower management, workload reporting, the DoD MEPRS, data quality requirements, and data analysis techniques.

10. General Requirements for Cost Data. The Flight Commander compiles cost data on selected medical performance factors or output measures. This cost data is used by MTFs and MAJCOMs in analyzing cost trends, developing budgets and programs, and identifying areas needing improved management. The Air Force Surgeon General's Office reports medical costs to various federal agencies and the Congress, and uses performance data for various types of analyses and studies. Data accuracy and confidence in data quality is critical to this program. The Flight Commander will ensure monthly Financial Reconciliation is accomplished between the Medical Expense and Performance Reporting System Program Manager and Budget Analyst, and that all data edits are documented, auditable, and reported.

Section C—Management and Economic Analysis

11. Purpose. This section provides general guidelines and procedures for collecting, displaying, analyzing, and interpreting performance data. This activity supports the MTF's organizational development program. The Flight Commander will manage data collection, reporting, and analysis requirements of the DoD Medical Expense and Performance Reporting System (MEPRS), the biometrics program, and other health care statistical data.

12. Medical Expense and Performance Reporting System (MEPRS). This system is mandated for all fixed military MTFs. See DoD Manual, 6010.13M, *Medical Expense and Performance Reporting System for Fixed Military Medical and Dental Treatment Facilities*, and AFI 41-102, *Department of Defense Medical Expense and Performance Reporting System (MEPRS) for Fixed Military Medical and Dental Treatment Facilities* for detailed information about MEPRS. Resource Management Flight Commander will:

12.1. Implement requirements.

12.2. Train medical personnel in MEPRS procedures and requirements.

12.3. Monitor the data collection process and ensure workload, personnel, and financial data is reconciled and validated prior to entry into the Expense Assignment System (EAS).

12.4. Prepare the MEPRS data for monthly processing through EAS.

12.5. Audit assigned expenses and obligations and ensure financial, workload, and personnel reconciliation is accomplished.

12.6. Review EAS output products and validate the DoD MEPRS data.

12.7. Provide analysis of MEPRS data to the MTF's Executive Committee.

12.8. Manage the operation of EAS to include annual and periodic file and table updates.

12.9. MEPRS Reporting Requirement. Accurately and timely reports the data processed through the EAS. Data from this report is used for health care management decisions at all levels of the MHS.

13. Executive Management Information. On a routine basis, the Flight Commander gives the MDG/CC and key management personnel a summary of the MTFs performance and cost effectiveness, population (enrolled and other) served, workload, costs, financial status, staffing, and MEPRS, with narrative comments.

13.1. Perform strategic planning and business case analysis as required by the MDG/CC.

13.2. Monitor and analyze private sector care referrals and associated expenditures. Identify opportunities to recapture patient care being accomplished in the civilian community.

13.3. Conduct cost effectiveness analysis related to Primary Care Optimization.

14. Data for Functional Managers. The Flight Commander furnishes data on population (enrolled and other) served, manpower requirements, workload, costs, cost effectiveness, and related areas to functional and cost center managers. The Flight Commander analyzes the MEPRS Detail Unit Cost Report and sends information to the CCMs quarterly.

15. Business Plan/Mission Support Plan Inputs. On an ongoing basis, the Flight Commander will perform studies that could potentially increase the efficiency and value of health care services being delivered to the population, especially enrolled population. The Flight Commander will analyze population data and projected healthcare needs, historical workload, costs and staffing levels, readiness requirements, and alternative modes of providing health care services.

16. Briefings. The Flight Commander gives periodic briefings to the MTFs Executive Committee on the status of resource management programs. The Flight Commander will also prepare organizational briefings to health services inspections (HSI), MAJCOM staff assistance teams, and other visits by external agencies.

17. Workload Collection, Auditing, and Reporting. The Flight Commander ensures workload is collected and reported accurately and in a timely fashion. Workload reporting is accomplished using the Worldwide Workload Report and Workload Assignment Module (WAM) of the Composite Health Care System (CHCS), and the MEPRS.

Section D—Manpower and Organization

18. Manpower Responsibilities of Resource Management. The Flight Commander is the focal point for the management of manpower resources in the MTF. Details on the Air Force Manpower Program are included in the AFI 38 series. Responsibilities of the Flight Commander include:

18.1. Provide necessary inputs to the Medical Annual Planning and Programming Guidance (MAPPG).

18.2. Fully support Primary Care Optimization (PCO) by using the Manpower Requirements Toolbox (MRT) software application and allocate manpower in accordance with the facility's maximum allowable enrollment (MAE).

18.3. Recapture workload performed by the MCSC where beneficial to the MTF using business case analysis, private sector care data, and the cost effectiveness model. Make manpower realignment recommendations in accordance with outcome of analysis and MAJCOM and Air Staff approval.

18.4. Collect validated personnel utilization data for all work centers and compute full-time equivalent (FTE) work months for the MEPRS program.

18.5. Prepare authorized change requests (ACR) for changes to manpower requirements and authorizations for the MTF based on detailed analysis and other needs.

18.6. Prepare and coordinate organizational structure changes with wing and MAJCOM functions for deviations from the OMG Guidance (Dec 96) and in conjunction with AFI 38-101, *Air Force Organization*.

18.7. Review and validate revised or new manpower determinants.

18.8. Properly align the unit manning document (UMD) with the HQ USAF/SG approved manpower requirements as determined in the Program Objective Memorandum (POM) or Amended POM (APOM) submission to Congress.

18.9. Develop effective working relationships with the base manpower office, civilian personnel flight, and the MAJCOM manpower office.

19. Manpower Needs Assessment:

19.1. The Flight Commander accomplishes or monitors all taskings related to the MAPPG:

19.1.1. Conduct application of the Manpower Requirements Toolbox (MRT) to identify all manpower requirements in support of the MAPPG. The requirements will be accurately identified at the functional account code (FAC), AFSC, grade, and PE code level of detail. The Flight Commander will manage the application and coordinate the balance of requirements (i.e. officer, enlisted, and civilian) and FYDP resources by use of the "checkbook" feature in the MRT.

19.1.2. Provide assistance to the executive staff on near and long-term strategic and business planning efforts in concert with the MAPPG and supporting the Mission Support Plan (MSP).

19.2. The Flight Commander briefs the Executive Committee and functional managers on proposed service mix changes based on business case analysis, recapture, primary care optimization, satellite networking, and associated manpower needs. Any service closure efforts that provide savings in manpower must be submitted through the MAJCOM to Air Staff and planned for in accordance with the POM cycle.

20. Air Force Manpower Determinants. Those applicable to medical functions are listed in AFIND 18, *Index of Air Force Manpower Standards*. The Flight Commander will keep a current Air Force Manpower Determinant on each FAC for which the medical facility is authorized manpower. Applicable MAJCOM supplements will also be available.

21. Civilian Manpower Management. The Flight Commander will monitor civilian manpower authorizations and personnel actions to determine the financial impact of expected gains and losses. Civilian work years will be tracked and forecasted as required in the MRT and by the MAJCOM. This is necessary to ensure effective use of civilian manpower resources.

22. Manpower Alignment. Resource Management personnel coordinate with the Personnel and Administration Flight to ensure personnel assigned to the MTF are placed against correct position numbers and Organization Structure Codes (OSC) on the Unit Personnel Management Roster (UPMR). This includes incoming personnel as well as permanent reassignment of military personnel from one work center to another within the MTF.

Section E—Business Office

23. Medical Service Account (MSA). The MSA system exists at MTFs when charges are made or cash is collected for subsistence or medical services. The MSA is designed to:

23.1. Provide a complete and reliable financial record of the operations covered.

23.2. Maintain control over collections, accounts receivable, and deposits. At those locations where the volume of cash transactions does not warrant the establishment of an MSA function, the servicing Financial Services Office (FSO) will make collections, according to local requirements. Since MSA functions at most facilities are automated under CHCS, program guidance for that system should be followed where applicable. The MTF MSA program must be in compliance with DoD 6010.15M, *Uniform Business Office*.

23.3. Billing Other Uniformed Services. The MSA will ensure any accounts billed to the U.S. Coast Guard or U.S. Public Health Service (USPHS)/National Oceanic Administration Agency (NOAA) reflect the difference between reimbursements from Third Party Payers (full reimbursement rate) and the appropriate interagency rate before forwarding DD Form 7, *Report of Treatment Furnished Pay Patient-Hospitalization Furnished (Part A)* or DD Form 7A, *Report of Treatment Furnished Pay Patient-Outpatient Treatment Furnished (Part B)* to HQ USAF/SGMC, or USPHS/NOAA.

23.4. Collecting Insurance Information on Behalf of DoD Civilian Employees Overseas. In order to reduce the number of delinquent accounts in the MSA function and expedite reimbursement from third party payers overseas, the MDG/CC may request health insurance information for pay patients from the local Civilian Personnel Flight

24. Medical Service Subsistence Accounting . IAW AFMAN 44-144, *Nutritional Medicine Management*, AF Form 541, *The Nutritional Medicine Service Subsistence Cost Report*, provides the financial status of nutritional medicine service activities operating under the Subsistence Credit Allowance Management System. It also provides programming data for central budgeting at HQ USAF for medical subsistence in the military personnel appropriation. MTFs using the Nutritional Medicine Information System (NMIS) may submit the Monthly Facility Summary Report (pages 1-4 only) in lieu of the AF Form 541.

24.1. Medical Facility Responsibility**.** Each Medical Facility with a food service operation shall prepare the AF Form 541, or the NMIS Monthly Facility Summary Report as of the end of the fiscal quarter. Forward the original and one copy to the MAJCOM within 5 workdays after the close of the quarter. Maintain local copies in the MSA and/or Nutritional Medicine Services. Additionally, MTFs will forward the information requested in **Attachment 2** to their MAJCOM within 5 duty after the close of the month.

24.2. Major Command Responsibility**.** The MAJCOM monitors the timeliness and accuracy of food cost reports and verifies the accuracy of data cumulated on a quarterly and fiscal year basis. Forward the original or fax a legible copy of the AF Form 541 or NMIS Monthly Facility Summary Report not later than the 20th calendar day of the month following the close of the quarter to HQ USAF/SGMC. Additionally, each MAJCOM will forward a consolidated, monthly report with the information requested in **Attachment 2**, by MTF, not later than the 10th duty day following the close of the month.

24.3. When Cost of Food Served Exceeds Credit Earnings. The monetary status will be reviewed at the end of the fiscal year or upon transfer of the account to a new Nutritional Medicine officer or

NCOIC. If the monetary status exceeds (plus or minus) 2 percent at the end of the fiscal year or 5 percent during the first three quarters, take appropriate action in accordance with AFMAN 44-144, *Nutritional Medicine Management.*

25. Third Party Collection (TPC) Program. Public Law 99-272 directs military facilities to collect from third party insurance carriers the cost of medical services provided non-active duty personnel treated in DoD MTFs. The Flight Commander is responsible for TPC program implementation to include program awareness, implementation of an incentive program, identification and collection of insurance information, billing third party payers on behalf of other Uniformed Services, collecting and depositing funds, compliance program implementation, and reporting TPC program results. The MTF TPC Program must be in compliance with DoD 6010.15M, *Uniform Business Office,* and at a minimum will implement and maintain the following management requirements:

25.1. TPC Program Awareness**.** The Flight Commander will establish a TPC marketing program, targeting patients as well as MTF staff, to include posters throughout the MTF, semiannual letters to retirees, pamphlets available at all possible patient stops, and briefings at commander's calls and retiree forums. All marketing material should point out program benefits (e.g., funds used to enhance care, purchase equipment, continuing medical education, etc.).

25.2. Incentive Program. The Flight Commander will devise a method of distributing a percentage of funds collected to active participants as an incentive for clinical, ancillary, and support personnel to support the program.

25.3. Insurance Information Identification and Collection.

25.3.1. The MTF/CC will ensure MTF staff query 100% of the eligible population regarding other health insurance information at all patient entry points, to include Admissions and Dispositions Office, outpatient clinics, Emergency Room, Pharmacy, Clinical Laboratory, Radiology, and any other clinical/ancillary area where a billing rate is published. The contact will be documented on the DD Form 2569, *Third Party Collection Program – Insurance Information Sheet.*

25.3.2. On a monthly basis, business office personnel/TPC contractor will conduct a random review of a representative sampling of non-active duty patient medical records to ensure health insurance has been accurately identified. This review will be conducted by sending a questionnaire to the patient or by contacting the employer when the DD Form 2569 indicates no insurance exists or when no DD Form 2569 is on file. Information obtained by this review will be filed in the medical record and updated in the appropriate source system, currently CHCS and Third Party Outpatient Collection System (TPOCS).

25.3.3. Business office personnel/TPC contractor will, on a monthly basis, review a representative sample of medical records and reconcile insurance information between CHCS and TPOCS. This reconciliation will ensure information is identical in all three areas (records, CHCS, TPOCS).

25.3.4. Business Office personnel/TPC contractor will conduct recurring training on at least a quarterly basis to all personnel responsible for interviewing patients for other health insurance. This training will be conducted in accordance with interview techniques outlined in DoD 6010.15M.

25.3.5. Business office personnel/TPC contractor will conduct a weekly review of a representative sampling of billings to identify other potential billable encounters either associated with or from previous episodes of care. Other billable encounters can include admissions, outpatient vis-

its, ambulatory procedure visits, ancillary services, supplemental care, immunizations, and ambulance services. These services can be researched for potential billing by reviewing medical records, patient registers to include ancillary services in CHCS, referral logs for supplemental care, and emergency room logs for ambulance services.

25.4. Billing on Behalf of Other Uniform Services. TPC personnel will bill third party payers on behalf of the U.S. Coast Guard or USPHS/NOAA beneficiaries and coordinate billings and collections with the MSA office.

25.5. Collecting and Depositing Funds for Delinquent Claims**.** IAW DoD 6010.15M, the MDG/CC will establish a Memorandum of Understanding (MOU) with the base's Staff Judge Advocate's (SJA) Claims Office outlining MTF and SJA responsibilities for delinquent claims. MTFs will ensure follow up of all claims at a minimum of 30 days and continue follow up until all efforts to collect are exhausted. MTFs will maintain an audit trail of all attempts to collect from a payer. A reasonable goal is to maintain claims on the Accounts Receivable for not more than 60 days. All accounts open greater than 180 days shall be forwarded to the SJA with follow up documentation for disposition. Only an official of the US Government, not contractor personnel, may accomplish closure of delinquent accounts due to invalid reduction or denial.

25.6. Auditing and Compliance**.** The Flight Commander will ensure an audit and compliance program is established and active in accordance with requirements outlined in DoD 6010.15M. A pro-active compliance program is critical to maintain good accounting practices.

25.7. Reporting**.** Each MTF will submit data from the DD Form 2570, *Third Party Collection Program – Report on Program Results,* via the DoD/TMA automated web-based metrics tool. MAJCOMs will establish separate reporting requirements to ensure MTFs are maximizing TPC reimbursements throughout their respective commands. Additionally, MTFs will send a quarterly, abbreviated Aging Schedule to their respective MAJCOM UBO Program Manager for validation. MAJCOMs will summarize MTF data (MTF name, number of days outstanding (from 30 – 180 days), number of claims, and dollar amounts outstanding) with explanation for all accounts open greater than 120 days) and forward it to HQ USAF/SGMC not later than the 20th calendar day of the month following the end of the quarter.

26. Third Party Liability (TPL)/Medical Affirmative Claims (MAC).

26.1. Medical Care Notification. MTFs must notify the base SJA of situations in which the MHS might become liable or financially responsible for treating individuals whose disease or injury was caused by a third party. All injury treatment should be reported to the SJA as a potential TPL/MAC claim. Additionally, any record for which a copy is requested should be reviewed for its potential as a TPL/MAC claim, especially if the request is received from an attorney. The MTF is also responsible for expeditiously providing any documentation to support a potential claim the SJA may be pursuing.

26.2. Liability Policy**.** In accordance with the Federal Medical Care Recovery Act (FMCRA), the Air Force must make all attempts to recover the cost of providing medical care to an individual whose injury or disease was caused by a third party (see Title 42, U.S.C., Sections 2651 through 2653, judicial decisions, and DoD and Air Force regulations). The Air Force is entitled to recover medical care costs when the United States becomes a third party beneficiary under the medical care provisions of insurance or worker's compensation. AFI 51-502, *Personnel and Government Recovery Claims,* pro-

vides information on how the United States asserts and settles claims against third parties for costs of medical care it provided under FMCRA.

26.3. Procedures for Processing Medical Affirmative Claims. The MDG/CC and the base SJA develop a written MOU covering the notification procedure, the preparation and follow-up for AF Form 438, *Medical Care - Third Party Liability Notification.* The MTF also develops internal procedures for clinical service coordination, tracking of civilian medical care paid for by the government, and establishing appropriate procedures for closing cases. Number all AF Form 438s on a fiscal year basis before submitting to the SJA.

26.4. Initiating Notification. Use AF Form 1488, *Daily Log of Patients Treated for Injuries*, is used to report all patients treated by the MTF or in the network. Ensure all MTF personnel at patient entry points are trained in identifying/suspecting potential injury cases. Personnel should provide completed AF Form 438 or supporting medical records for claims upon request by the SJA. The RMO will ensure development of a CHCS report identifying hospital admissions and visits related to injuries and compare to the AF Form 1488. Cases not submitted will be researched and an AF Form 1488 will be prepared for forwarding to the base legal office.

26.5. Documentation Management Policy. All medical records (inpatient and outpatient) for which MTF personnel identify third party liability should have appropriate entries addressing third party liability issues. The local facility determines the content and placement of these remarks. To confirm completion of patient treatment, the MTF should review all medical records before filing.

26.6. Reconciliation. The medical facility will conduct a quarterly reconciliation with the base SJA for claims submitted to ensure proper identification and processing of medical documentation. The reconciliation will consist of a review of the status of each claim (open, transferred, or closed). Discrepancies will be corrected and a written report will be forwarded to the SJA and MDG/CC.

27. Forms Prescribed.

27.1. DD Form 7, *Report of Treatment Furnished Pay Patient-Hospitalization Furnished (Part A)*

27.2. DD Form 7A, *Report of Treatment Furnished Pay Patient-Outpatient Treatment Furnished (Part B)*

27.3. DD Form 2569, *Third Party Collection Program - Insurance Information Sheet*

27.4. DD Form 2570, *Third Party Collection Program – Report on Program Results*

27.5. AF Form 438, *Medical Care - Third Party Liability Notification*

27.6. AF Form 541, *The Nutritional Medicine Service Subsistence Cost Report*

27.7. AF Form 847, *Recommendation for Change of Publication*

27.8. AF Form 1488, *Daily Log of Patients Treated for Injuries*

PAUL K. CARLTON, JR., Lt General, USAF, MC, CFS
Surgeon General

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

DoD 6010.13M, *Medical Expense and Performance Reporting (MEPR) System for Fixed Military Medial and Dental Treatment Facilities*

DoD 6010.15M, *Uniform Business Office*

AFIND 18, *Index of Air Force Manpower Standards*

AFPD 38-2, *Manpower*

AFPD 41-1, *Health Care Programs and Resources*

AFMAN 44-144, *Nutritional Medicine Management*

AFI 38-101, Air Force Organization

AFI 41-102, *The Medical Expense and Performance Reporting (MEPR) System for Fixed Military Medical and Dental Treatment Facilities*

AFI 41-115, *Authorized Health Care and Health Care Benefits in the Military Health Services System (MHSS)*

AFI 41-210, *Patient Administration Functions*

AFI 41-211, *The Medical Information Systems Management Program*

AFI 51-502, *Personnel and Government Recovery Claims*

AFI 65-601V1, *USAF Budget Policies and Procedures*

OMG Guide, Objective Medical Group Guide

Abbreviations and Acronyms

AFI—Air Force Instruction

AFIND—Air Force Index

AFMLO—Air Force Medical Logistics Office

AFMS—Air Force Medical System

AFMSCS—Air Force Medical System Corporate Structure

AFPD—Air Force Policy Directive

APOM—Amended Program Objective Memorandum

BAG—Budget Activity Group

BCAC—Beneficiary Counseling and Assistance Coordinators

BOS—Base Operating Support

CC—Commander

CCM—Cost Center Manager

CHCS—Composite Health Care System

CHS—Consolidated Health Support

CMDS—Command Manpower Data System

COTR—Contract Officer Technical Representative

DBOF—Defense Business Operations Fund

DCAO—Debt Collection Assistance Officers

DFAS—Defense Finance and Accounting Services

DoD—Department of Defense

DPG—Defense Planning Guidance

DRU—Direct Reporting Unit

EAS—Expense Assignment System

FAC—Functional Account Code

FG—Fiscal Guidance

FMCRA—Federal Medical Care Recovery Act

FOA—Field Operating Agencies

FSO—Financial Services Office

FTE—Full Time Equivalent

FYDP—Future Year Defense Program

HSI—Health Services Inspection

IM/IT—Information Management/Information Technology

IPT—Integrated Process Team

MA—Management Activities

MAC—Medical Affirmative Claims

MAE—Maximum Allowable Enrollment

MAJCOM—Major Command

MAPPG—Medical Annual Planning and Programming Guidance

MCSC—Managed Care Support Contract

MDG—Medical Group

MEPRS—Medical Expense and Performance Reporting System

MHS—Military Health System

MILPERS—Military Personnel

MOU—Memorandum of Understanding

MRT—Manpower Requirements Toolbox

MSA—Medical Service Account

MSP—Mission Support Plan

MTF—Medical Treatment Facility

NOAA—National Oceanic Administration Agency

NCOIC—Non Commissioned Officer in Charge

NMIS—Nutritional Medicine Information System

O&M—Operation and Maintenance

OMG—Objective Medical Group

OSC—Organization Structure Code

OSD—Office of the Secretary of Defense

PB—President's Budget

PCO—Primary Care Optimization

PE—Program Elements

POM—Program Objective Memorandum (see also APOM)

PPBS—Planning, Programming, and Budgeting System

PRV—Plant Replacement Value

PSC—Private Sector Care

RMS—Resource Management System

RPMA—Real Property Maintenance Account

SJA—Staff Judge Advocate

TMA—TRICARE Management Activity

TPC—Third Party Collection

TPL—Third Party Liability

TPOCS—Third Party Outpatient Collection System

UBO—Uniform Business Office

UPMR—Unit Personnel Management Roster

UMD—Unit Manning Document

U.S.C.—United States Code

USPHS—United States Public Health Service

WAM—Workload Assignment Module

WWR—Worldwide Workload Report

Terms

Planning, Programming, and Budgeting System—The PPBS is the DoD resources management system controlled by the Secretary of Defense and used to establish, maintain, and revise the Future Years Defense Program and DoD portion of the President's Budget. It is a biennial cycle process containing three interrelated phases: planning, programming, budgeting. Use this process to identify medical facility requirements.

Expense Equipment—These are items of medical and non-medical equipment having a unit price less than $100,000.

Investment Equipment—These are items of medical and non-medical equipment having a unit price of $100,000 or more.

Attachment 2

MONTHLY NUTRITIONAL MEDICINE SUBSISTENCE REPORT (EXCEL SPREADSHEET)

MAJCOM	MTF	OBDFA	MBDFA	PBDFA	TOTAL PURCHASES	COST OF ISSUES	TOTAL EARNINGS	MEALS - BREAKFAST	MEALS - LUNCH	MEALS - DINNER	TOTAL MEALS	PATIENT MEAL DAYS	OTHER MEAL DAYS	OPERATIONAL MEAL DAYS	TOTAL MEAL DAYS
	TOTAL:														

Instructions for completion:

1. MAJCOMs will submit a consolidated report, by MTF, on a monthly basis.

2. Definitions:

2a. OBDFA: Operational Basic Daily Food Allowance, provided by the base food services officer, without any modifications. Use to calculate operational rations.

2b. MBDFA: MTF Basic Daily Food Allowance. The OBDFA modified to include the cost of 100% ground beef. Used to calculate SIK and CTIM meal earnings.

2c. PBDFA: Patient Basic Daily Food Allowance. MBDFA plus an additional 15% for patient feedings. Used to calculate patient meal earnings.

2d. Meals: Breakfast, Lunch, or Dinner (percent of meal days is 20/40/40).

2e. Meal Day: Replaces the term "ration". Equivalent of 3 meals served in 24 hours. One bed day = one meal day.

2f. Patient Meal Day: Equals one bed day or the Ambulatory Procedure Visit (APV) equivalent -normally 40% per meal.

2g. Other Meal Day: All other meals served by the MTF dining facility.

2h. Operational Meal Day: Meals issued for exercises.