



# **DHA UBO Webinar: CY 2025 Cosmetic Surgery and Estimator**

Presented by Mr. Andy Crouter, DHA UBO Support July 2025



# Agenda

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- Background
- CSE v21 Procedures Update
- CSE v21 Functionality
- CSE v21 Distribution & Effective Date
- Questions & Answers



# Background



# Elective Cosmetic Surgery Policy

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- Per HA Policy 05-020, “Policy for Cosmetic Surgery Procedures in the Military Health System” (25 Oct 2005):
  - Cosmetic Surgery – “Any **elective** plastic surgery performed to **reshape normal structures** of the body in order to improve the patient’s appearance or self-esteem.”
  - Reconstructive Surgery – “Any plastic surgery performed on **abnormal structures** of the body which are caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease. Reconstructive surgery is **generally performed to improve function** but may also be done to approximate a normal appearance.”

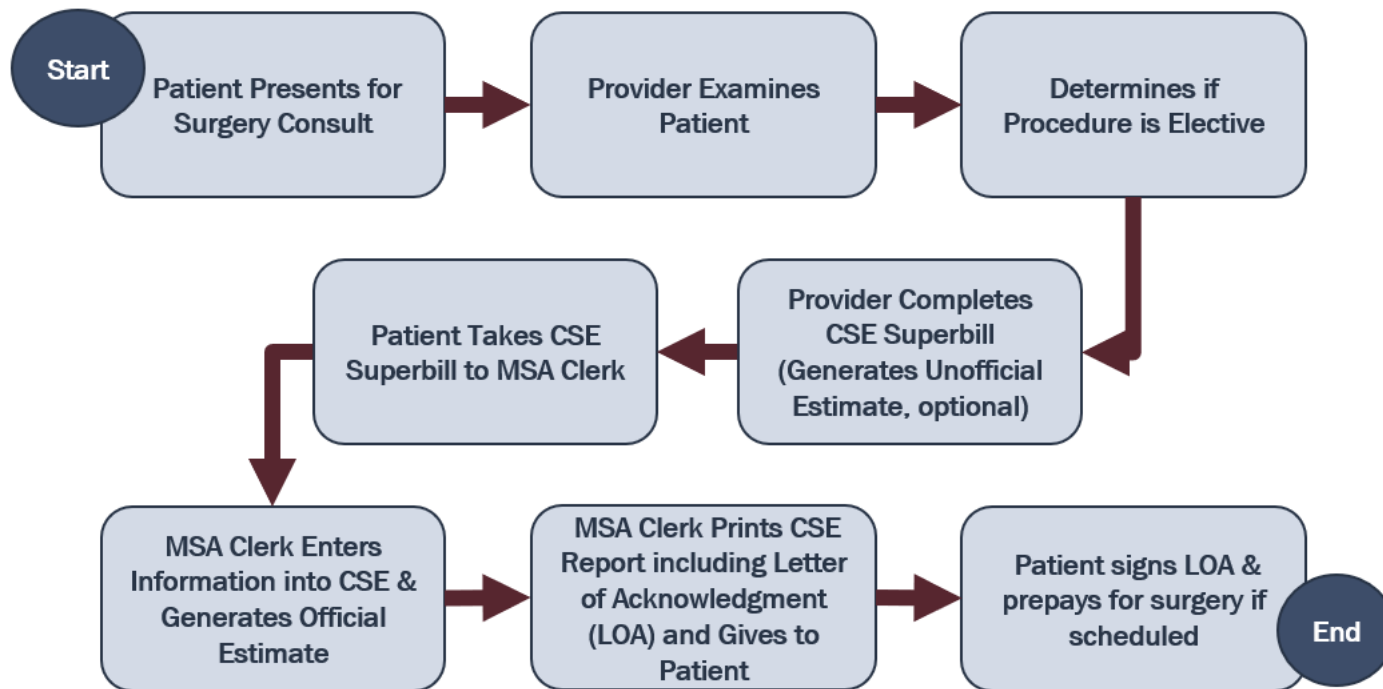


## Elective Cosmetic Surgery Policy, cont'd

- Elective cosmetic surgery is not a TRICARE covered benefit.
- *However*, DoD Health Affairs Policy 05-020 authorizes elective cosmetic surgery in military treatment facilities (MTFs) to “support graduate medical education, board eligibility and certification, and skill maintenance for certified specialists.”
- Services are provided on a “space available” basis and limited to:
  - TRICARE-eligible beneficiaries (including TRICARE for Life) who will not lose eligibility for at least 6 months.
  - Active duty personnel who have written permission from their unit commander.
- **All patients** are fully responsible for surgical fees, applicable institutional and anesthesia charges, as well as the cost of all implants, cosmetic injectables, and other separately billable items associated with elective cosmetic procedures. Patients may also be responsible for follow up care.



# MHS Elective Cosmetic Procedure Process





# Letter of Acknowledgement (LOA)

## • LOA incorporated into CSE cost report

TOTAL COST: \$181.46

**1) Advance Payment Required:** Elective cosmetic procedures are not TRICARE covered benefits. I acknowledge and accept responsibility for all charges associated with the above listed procedure(s) including applicable professional, facility, and anesthesia fees plus the cost of any implants, pharmaceuticals, and other separately billable items provided by the MTF. I agree to pay estimated charges, in full, for all elective cosmetic procedures prior to receiving treatment.

**2) Prices Subject to Change:** Rates for elective cosmetic procedures are updated periodically by the Assistant Secretary of Defense for Health Affairs. I understand that estimated charges are based on Department of Defense (DoD) rates applicable at the time of payment. Rates cannot be guaranteed until estimated charges have been paid in full.

**3) Additional Charges May Apply:** I acknowledge that the initial amount paid may not constitute payment in full. There may be additional charges for ancillary services, as well as unforeseen, but necessary, procedures undertaken during the procedure. I understand these charges are not factored into the initial estimate but will be added upon completion of the final bill. I agree to remit payment for any additional charges within thirty (30) calendar days after presentation of the final bill as pursuant to the Debt Collection Act of 1982 and Debt Collection Improvement Act of 1996. I will incur additional interest and/or administrative charges.

**4) Global Periods for Elective Cosmetic Procedures:** Charges for some elective cosmetic procedures include a global period during which routine postoperative follow-up visits and treatment (e.g., removal of stitches or sutures, treating infected wounds, and dressing changes) are covered at no additional charge. Postoperative visits that are unrelated to the original procedure, or that occur after the global period has expired, will incur additional charges unless deemed medically necessary. Global periods are listed on the cost estimate report where applicable.

**5) Refunds:** I understand that if I decide, prior to my scheduled procedure date, not to have an elective cosmetic procedure, I am entitled to a refund of all monies paid for the cancelled procedure. If I change my mind after the procedure has started, applicable professional and ancillary fees will be deducted from the initial payment amount before a refund is issued. Refunds may take up to 8 weeks for processing.

**6) Follow-up Care:** I acknowledge that follow-up care after an elective cosmetic procedure is not guaranteed in an MTF because the care required may exceed the ability of the facility and/or there may not be requirements available when I need to be seen. Additionally, I understand that care for complications resulting from an elective cosmetic procedure is not a TRICARE covered benefit, and I may be financially responsible for such care whether I am treated at an MTF or an outside medical facility. If the complication occurs in the same body system or the same anatomical area of the non-covered treatment and the complication is one that commonly occurs (e.g., repair of facial scarring resulting from dermabrasion for acne), then the corresponding care is not a covered benefit. As stated in 32 CFR 159-H(1)(9) and TRICARE Policy Manual, Chapter 4, Section 1.1, Complications (Unforeseen Sequelae) Resulting from Non-Covered Surgery or Treatment: "Benefits are available for the otherwise covered treatment of complications resulting from a non-covered (elective cosmetic) surgery or treatment only when the complication represents a medical condition separate from the condition that the non-covered treatment or surgery was directed toward, and treatment of the complication is not essentially similar to the non-covered procedure. A complication may be considered a separate medical condition and thus is a covered benefit when it causes a systemic effect, occurs in a different body system from the non-covered treatment, or is an unexpected complication which is unforeseen based upon prior clinical experience with the procedure."

### 1) Advance Payment Required

Estimated charges must be paid, in full, prior to receiving treatment.

### 2) Prices Subject to Change

Rates are not guaranteed until estimated charges have been paid in full.

### 3) Additional Charges May Apply

There may be additional charges for ancillary services, as well as unforeseen, but necessary, procedures undertaken during the procedure.

### 4) Global Periods

Postoperative visits that are unrelated to the original procedure, or that occur after the global period has expired, will incur additional charges.

### 5) Refunds

Refunds are processed for procedures not performed.

### 6) Follow-up Care

Follow-up care is not guaranteed in an MTF and in accordance with TRICARE Policy Manual Chapter 4, Section 1.1, complications of cosmetic surgery procedures are excluded from coverage.

PATIENT'S NAME

WITNESS'S NAME

PATIENT'S SIGNATURE

DATE

WITNESS SIGNATURE

DATE



# CSE Procedures and Rates Update





## Elective Cosmetic Procedures and Rates (1 of 2)

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- Only procedures included in the Cosmetic Surgery (CS) superbill can potentially be performed as elective cosmetic procedures.
  - Procedures may be performed as medically necessary if documented as such.
  - Medically necessary procedures are not priced in the CSE.
- Many procedures are added to the superbill because of feedback from the field.
  - If you have any suggested elective cosmetic procedures, contact the DHA UBO Helpdesk at [UBO.Helpdesk@intellectsolutions.com](mailto:UBO.Helpdesk@intellectsolutions.com)
  - DHA review and approval is necessary.



## Elective Cosmetic Procedures and Rates (2 of 2)

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- The DHA UBO Program Office is responsible for providing current rates for elective cosmetic procedures in the Military Health System (MHS).
- The DHA UBO Cosmetic Surgery Estimator (CSE) calculates charges for elective cosmetic procedures.
  - Factors in all potential procedure costs, including professional, facility, anesthesia professional fees, and the cost of implants and pharmaceuticals.
- Rates used in the CSE are updated annually and are based on what TRICARE will allow.
- Proposed release and effective date is October 1, 2025.



# CSE Basis for Charges and Discounts

- Appendix A in the User Guide summarizes the basis for charges and discounts that may apply.
- 11 lines, one for each of the CSE input lines. 3 columns, one for each location option.

	Provider's Office	OR/Outpatient (Clinic or Hosp)	OR/Inpatient
<b>Line 1: CPT<sup>®</sup>/Procedure Code and Description</b>  Selection of a Primary CPT <sup>®</sup> /Procedure code or description determines the applicable professional fee.	Professional Fee = CHAMPUS Maximum Allowable Charge (CMAC) Locality 300 <u>Non Facility Physician</u> , Category 2 rate	Professional Fee = CHAMPUS Maximum Allowable Charge (CMAC) Locality 300 <u>Facility Physician</u> , Category 1 rate	Professional Fee = CHAMPUS Maximum Allowable Charge (CMAC) Locality 300 Facility Physician, Category 1 rate
<b>Line 2: Procedure Location</b>  Selection of procedure location determines the applicable facility fee.	<u>No Facility Fee</u>  There is no facility fee for procedures performed in a provider's office. Fees for facility resources are included in the applicable professional fee.	<u>Facility Fee =</u> TRICARE Ambulatory Procedure Visit (APV) rate	Facility Fee = Diagnostic Related Group (DRG) rate  DRG Relative Weighted Product (RWP) x TRICARE MS-DRG Adjusted Standardized Amount (ASA)
<b>Line 3: Combined with a Medically Necessary Procedure</b>  A discount is authorized for patients who choose to have an elective	<u>Primary Procedure</u> Professional Fee, 100% No Facility Fee Anesthesia, 50%  <b>*Discount applies only to primary procedure.</b>	<u>Primary Procedure</u> Professional Fee, 100% Facility Fee (APV), 50% Anesthesia, 50%  <b>*Discount applies</b>	<u>Primary Procedure</u> Professional Fee, 100% Facility Fee (DRG), 50% No Anesthesia Fee



# CPT® Additions, Deletions, Modifications

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- Added:
  - None
- Deleted:
  - 15819 (Cervicoplasty)
- Modified:
  - 11921, 11922, 17999-0030, 17999-0032 (Tattooing; laser tattoo removal) global period set to zero days



# CSE v21 Functionality – Creating a Cost Estimate from the Superbill



# Cosmetic Surgery Superbill



## Cosmetic Surgery Superbill 2023

Page 1 of 2

INSTRUCTIONS: (1) Fill in top of form. (2) Circle or highlight Procedure Description. (3) Check Bilateral column. (4) Enter the quantity of each procedure.

MTF: Fort Somewhere				Patient Name: John Doe			
Provider's Name and Phone:				Visit Date: 10 / 1 / 2016		Surgery Date: / /	
ICD-10 Code 1: Z41.1 Cosmetic Surgery Encounter ICD-10 Code 2:				Anesthesia: <input type="checkbox"/> Local			
Location: <input type="checkbox"/> Provider's Office		<input type="checkbox"/> Operating Room Inpatient		<input checked="" type="checkbox"/> Monitored/General Anesthesia Care		<input type="checkbox"/> Topical Block	
		<input checked="" type="checkbox"/> Operating Room Outpatient		<input type="checkbox"/> Moderate Sedation		<input type="checkbox"/> None	
Will this procedure be combined with a medically necessary procedure? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
Procedure Description	Code	Bil	Qty	Procedure Description	Code	Bil	Qty
<b>SKIN TAG REMOVAL</b>				<b>BREAST / CHEST AUGMENTATION</b>			
Removal of skin tags, up to 15 lesions	11200			Mastectomy for Gynecomastia (Male)	40000		
Removal of skin tags, ea addl 1-10 lesions	11201 +			Mastopexy (Breast Lift)	19316	X	
				<b>INJECTIONS</b>			
				Intralesional Injection			
				Intralesional Injection; 7 or less			
				11900			



# CSE Primary Procedure Screen



## DHA UBO Cosmetic Surgery Estimator

### CPT / Process Glossary

Effective Date: September 2023 (v19.0 (V) ▾)

1\* Primary CPT/Procedure:

Description:

19316 ▾

Mastopexy

2\* Procedure Location:

☐ Provider's Office ☒ OR/Outpatient (APV) ☐ OR/Inpatient

3\* Will this procedure be combined with a medically necessary procedure?

☐ Yes ☒ No

4\* Will this procedure be performed by a dermatology resident?

N/A

5\* Will this procedure be bilateral?

☒ Yes ☐ No

6 Quantity/Number of Sessions:

1

7 Add-on Code: ▾

None

8\* Anesthesia:

☐ None ☐ Topical ☐ Local ☐ Moderate Sedation ☒ General/Monitored

9 Pharmaceuticals provided:

N/A

10\* Will additional elective procedures be performed during the same visit?

☒ Yes ☐ No

11\* Will implants or other non-covered supplies be provided by the MTF?

☐ Yes ☒ No

[View/Edit Additional Procedures \(1\)](#)

[View/Edit Implants and Supplies](#)

[Clear Estimate](#)

[View / Print  
Estimate](#)

[Save and Close](#)

Cost Rank:

235

Professional Fee: \$804.14

Facility Fee: \$3255.98

Medically Necessary Discount: \$0.00

Resident Discount: \$0.00

Bilateral Cost: \$568.11

Additional Qty/Ses Cost: \$0.00

Add-on Cost: \$0.00

Anesthesia Fee: \$332.08

Pharmaceutical Cost: \$0.00

Additional Procedure Cost: \$97.57

Implant / Supply Cost: \$0.00

**Total Cost: \$5057.89**

CPT® is a registered trademark of the American Medical Association. Procedure codes designated as 17999-XXXX are developed by the DoD DHA UBO and are not intended to serve as CPT® codes.



# CSE Cost Report


[View Patient](#)
[View Detail](#)
[Print](#)
[Edit](#)


## Elective Cosmetic Surgery Cost Estimate and Letter of Acknowledgement

**\*\* This Document is for official MSA Office billing use \*\***

**Patient Name:** Test Patient  
**Date of Estimate:** 2024-07-03 13:00 Z  
**Procedure Location:** OR/Outpatient (APC)  
**Military Treatment Facility (MTF):** CSE Admin  
**Combined with a Medically Necessary Procedure:** No

CPT*/Procedure Code	Description	Bilateral	Qty	Cost
19316	Mastopexy This procedure has a 90 day global period.	Yes	1	\$4,628.23
11200	Removal of skin tags, multiple fibrocuteaneous tags, any area; up to and including 15 lesions This procedure has a 10 day global period.	N/A	1	\$97.57

**Anesthesia Type:** General/Monitored **Anesthesia Cost:** \$332.08  
**Implants/Supplies:** **Implants/Supplies Cost:** \$0.00  
**Combined with a Medically Necessary Procedure Discount:** \$0.00

**TOTAL COST: \$5,057.88**

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Test Patient

PATIENT'S NAME

WITNESS'S NAME

PATIENT'S SIGNATURE

DATE

WITNESS SIGNATURE

DATE

CSE Version Used: v19.0 (0614a) (Web)





## CSE In-app Resources



- The CSE Procedure Glossary, Superbill, User Guide, etc. are available in the application as PDF documents and provide line-by-line “how-to” instructions.
- User guide includes quick reference tables that summarize various categories of procedures.

The screenshot shows the user interface of the CSE application. At the top, there is a navigation bar with the Military Health System logo and tabs for New, Saved, Resources, Analysis, and Admin. A dropdown menu is open under the Resources tab, listing the following options: Glossary, Patient Guide, Provider Instructions, Super Bill, User Guide, and Printing Estimates Guide. Below the navigation bar, there is a form for creating a new entry. The first field is labeled "1\* Primary CPT/Procedure:" and has a dropdown menu with the value "11300". The second field is labeled "2\* Procedure Location:" and has three radio button options: "Provider's Office" (selected), "OR/Outpatient (APV)", and "OR/Inpatient".



# CSE Distribution & Effective Date



## CSE v21 Distribution & Effective Date

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- The CSE v21 application will be available at: <https://www.ubocse.org>
- Proposed effective date is October 1, 2025
- To obtain a user account to the CSE web application, please send a helpdesk ticket
  - [ubo.helpdesk@intellectsolutions.com](mailto:ubo.helpdesk@intellectsolutions.com)
  - Please include your name, email address, and affiliated DMIS ID
  - Each user will have their own login (health.mil address) and password



# Elective Cosmetic Procedure Guidance

- UBO HelpFul HandOut (4a2p) DEEP DIVE MISCELLANEOUS on the DHA Sharepoint Online Portal
  - Available at: [https://militaryhealth.sharepoint-mil.us/sites/j8-brm-ubo/\\_layouts/15/search.aspx/siteall?q=deep%20dive](https://militaryhealth.sharepoint-mil.us/sites/j8-brm-ubo/_layouts/15/search.aspx/siteall?q=deep%20dive)
- 1DoD Workflows
  - Available at: <https://play.apps.appsplatform.us/play/e/default-8903a443-af33-4ed4-acf5-ee613bcb2f59/a/5aab642d-8deb-4d67-b1e0-eafb479626fb?tenantId=8903a443-af33-4ed4-acf5-ee613bcb2f59&hint=82b5a9f9-a05f-45a9-a1a0-b80e80b8a964&sourcetime=1717523883874>
  - Enter “cosmetic” in the Target Search bar
- DHA UBO User Guide
  - Available at: [health.mil/Reference-Center/Technical-Documents/2023/06/08/Uniform-Business-Office-User-Guide-April-2023](https://health.mil/Reference-Center/Technical-Documents/2023/06/08/Uniform-Business-Office-User-Guide-April-2023)
  - See “Elective Cosmetic Procedures” section
- Defense Health Agency Procedures Manual (DHA-PM 6015.01)
  - Available at: [health.mil/Reference-Center/DHA-Publications/2017/10/24/DHA-PM-6015-01](https://health.mil/Reference-Center/DHA-Publications/2017/10/24/DHA-PM-6015-01)
  - Reiterates and reinforces requirements in the 2005 HA Policy 05-020 memorandum (Policy for Cosmetic Surgery Procedures in the Military Health System)



# Questions?





## **DHA UBO Webinar: CY 2025 Outpatient Rates**

Presented by: Mr. Max Overend, DHA UBO Support  
July 2025



# Agenda



- DHA UBO Rate Structures
- DHA UBO Outpatient Rates
- DHA UBO Inpatient Room and Board Rates
- Rate Requests
- Resources
- Summary



## CY25 Outpatient Rates Effective Date

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- CY25 Outpatient rates have been submitted for approval with a tentative effective date of October 1, 2025.
- Codes or Rates released after approval will be reviewed on a quarterly basis with an effective date set by the DHA UBO Program Office.





## DHA UBO Rate Structures



# Rate Structure Overview

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- Overarching billing structures, intended to recover costs in military facilities.
  - Full or Third-Party Collections (TPC)
  - Interagency
  - International Military Education and Training (IMET)
- The DHA UBO Program office recommends billing rates for contractors and foreign nationals supporting deployed forces.
- Patient Identification Process (PIP), formerly known as Patient Category (PATCAT), drives the assignment of the applicable rate structure.



## Full or Third-Party Collection Rates

- Full / TPC Billing rates are used synonymously.
  - Recover the full cost of healthcare services provided.
  - Normally the highest DHA UBO rate.
- TPC Rates are used for billing commercial third-party payers and pay patients.
  - Exception: OCONUS DoD Civilians and Cosmetic Procedures.
- Most DHA UBO Ambulatory/Professional TPC rates match TRICARE Reimbursement (CMAC rates).
- TPC rates are based on average Medical Expense & Performance Reporting System (MEPRS) unit costs with adjustments for costs not included in MEPRS data.
  - Dental, Ambulance, Ambulatory Procedure Visit (APV), specific Injectables.



## Interagency Billing Rates

- Interagency rates are TPC rates discounted to remove several cost factors for health care services.
- Durable medical equipment and pharmaceuticals are not discounted.
- Interagency Rates do not include:
  - Asset Use Charge: Use of assets (facilities and/or equipment) to recoup depreciation and interest on investment.
- Government Share of Unfunded Retirement (GSUR) Costs: Cover the cost of the unfunded civilian retirement, post retirement health benefits and life insurance.



# International Military Education & Training Rates

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- The IMET Program provides training on a grant basis to students from allied and friendly nations.
  - Authority for the IMET program is found in Chapter 5, Part II, Foreign Assistance Act of 1961.
  - Funding is appropriated from the International Affairs budget of the Department of State.
  - Not all foreign national patients participate in the IMET program.
- IMET Rates do not include:
  - Asset Use Charge and GSUR Costs.
  - Military Personnel Cost.



## Outpatient Rate Package

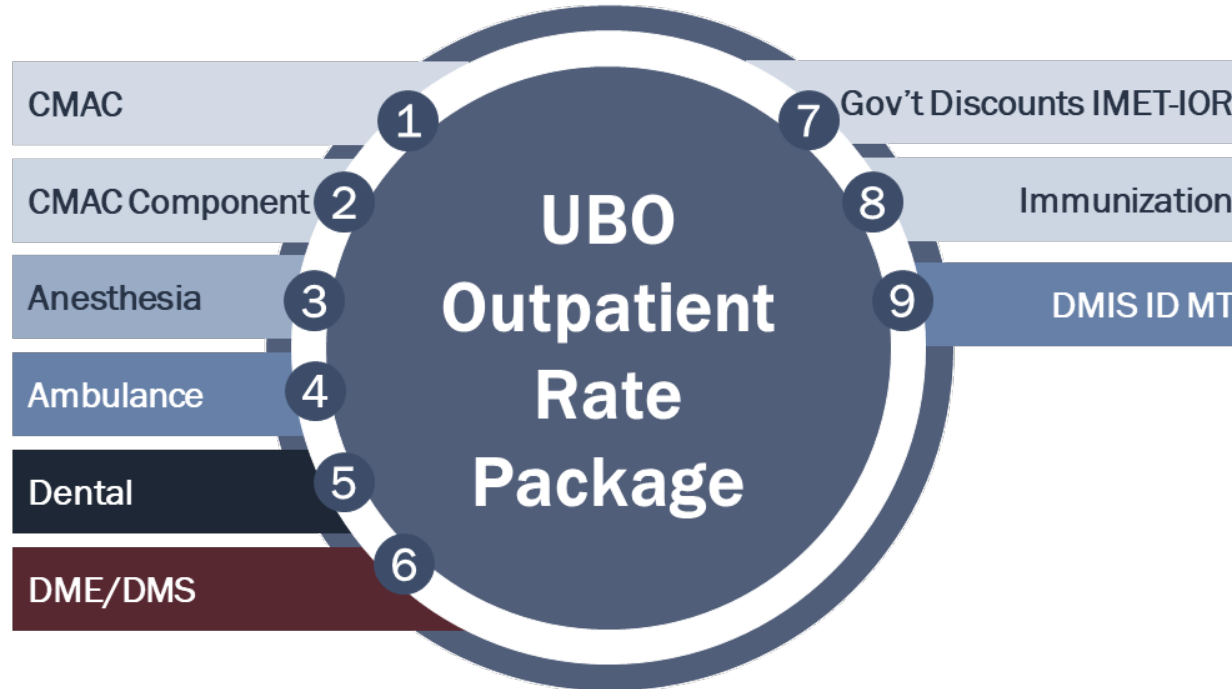


# Outpatient Rates Overview

- CY 2025 Outpatient Rates developed to accommodate Military Health Systems billing systems and solutions.
- Outpatient rates are developed by the DHA UBO for each outpatient encounter, service, procedure, or supply provided at an MTF.
- UBO CHAMPUS Maximum Allowable Charge (CMAC) rates are developed for reimbursement in the purchased care community.
- Health care service procedure codes outlined in the Inpatient and Outpatient Rates policy letters are housed in the MHS CDM for itemized billing of patient care provided in MTFs.
- Purchased Care System data used to calculate the average allowable amounts. Some procedures require special handling, and rates are based on purchased care data or Ambulatory Payment Classification (APC) charges.
- Medical Expense & Performance Reporting System (MEPRS) data is used to calculate the average MTF operational expenses. Health care services traditionally updated using Medical Expense and Performance Reporting System (MEPRS) data were developed using an alternative methodology, adjusting the CY 2024 rate by the Operation and Maintenance (O&M) Inflation Factor from FY 2024 to FY 2025



# Rate Package Components







## CMAC & CMAC Component Rates

- Primary rate table, formatted and sorted for UBO.
- Based on what TRICARE allows.
- MTF pricing within the CDM is assigned by their regional charge table. Each regional charge table is mapped to a CMAC locality
- CY2025 Highlights:
  - Average Percent Change: -2.03%



## CMAC & CMAC Component Rates

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- TRICARE localities apply to the CHAMPUS Maximum Allowable Charges, or CMAC reimbursable rates.
- Within the CDM, there are 15 regional charge tables, each assigned to a specific locality.



# Locality Mapping



Locality	Region
300	Non-US
314	Colorado
317	NCR
320	Florida
322	Georgia
331	Kansas
332	Kentucky
344	Mississippi
360	North Carolina
380	Texas
384	Tidewater
386	Puget Sound
390	Alaska
416	San Diego
422	Sacramento



## CMAC & CMAC Component Rates



- Evaluation & Management Codes (99281-99285)
  - Used for Hospital level (1-5) ED encounter.

CPT® Code	2024	2024	Percent Change
99281	\$84.59	\$88.05	4.09%
99282	\$155.83	\$158.36	1.62%
99283	\$271.85	\$276.89	1.85%
99284	\$422.00	\$425.82	0.91%
99285	\$611.99	\$613.10	0.18%



## CMAC & CMAC Component Rates

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- Evaluation and Management Codes (99202-99215)
  - Price methodology changed to account for billing professional services only.
  - Can be billed in combination with the institutional fees by utilizing G0463
  - Charges will “roll-up” the professional and institutional charges onto a CMS 1500



# Dialysis Rates



- CPT® code 90999 pricing is produced at a regional level for each regional charge table.
  - Rate is developed utilizing CY 25 TRICARE Wage Index and TRICARE End Stage Renal Disease facility reimbursement rate



# Time-Based Facility Charging

- Surgical time (Operating Room (OR) Level 1-5 Rates)
  - OR levels are determined by complexity of service and replace use of APV rate
  - All surgical CPT codes within each OR Level (1-5) with an approved CMAC rate are averaged to determine the price for each OR Level (initial 60 minutes) and for price for each OR Level additional 15 minutes (hourly rate divided by 4)
- Hourly Observation Time (Post-Anesthesia Case Unit (PACU) Level 1-2 Rates)
  - PACU levels are determined by complexity of service and replace use of APV rate
  - Pricing is reflective of CMAC rate G0378 for hospital observation. For any additional 15-minute increments after initial 60 minutes, the hourly rate is divided by 4
  - For PACU level 2, the rate is 1.5X higher
- Per diem room and bed rates
  - Daily room fee for hospital stays based on room and level of care. Date of discharge should not be charged the daily rate.
- Anesthesia (see slide 39)



# Anesthesia Rates



- Upon transition to CPA, methodology has been updated within the Charge Description Master. However, anesthesia rates based on legacy methodology are still produced and leveraged for the DHA UBO cosmetic rates.
- Updated methodology:
  - Total professional anesthesia-based rate = [(base rate) + (interval rate \* number of 15-minute time intervals)]
  - Actual Time Used (flat rate used to be calculated based on average time units)
  - Locality Specific (rate used to be national)





# Ambulance Rates



- With CY25 Outpatient Rates Package, ambulance billing will switch from per minute basis to per mile basis (A0425), with an attached base rate (A0426-A0429).
  - Change made in alignment with TRICARE Reimbursement, based off CMS ambulance fee schedule methodology.
  - Flat Fee base rate is charged based on level of service (BLS vs. ALS) and if the transport was emergency or non-emergency.
- Per mile rate and base rate are regional, per locality.



# Dental Rates



- Overview
  - The updated Defense Health Agency CY25 Guidelines for Dental Procedure Codes, Surgical Procedure Codes, and Dental Weighted Values serves to define each dental procedure performed in military treatment facilities.
  - Contains “D” Codes (i.e. D0411).
  - \*CDM does not include W codes
    - ✓ W Codes are DoD Specific but non-billable. They replaced Dental A-codes so as not to cause confusion with standard HCPCS A-codes.
- 2025 Highlights
  - Overall decrease of 2.11%.
  - 10 new codes, 7 revised codes, 0 deleted codes
  - 885 Total codes



# Durable Medical Equipment & Supplies Rates

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- Expenses allocated for equipment and supplies.
  - Based On:
    - ✓ CMS Durable Medical Equipment, Prosthetics/Orthotics, and Supplies (DMEPOS) Fee Schedule.
    - ✓ Purchased Care Data.
    - ✓ Defense Medical Logistics Standard Support (DMLSS) Master Catalog used for several codes within CPA



# Government Discounts IMET-IOR Rates



- 2025 discounts:

Type of Discount	Discounted Services Except Ambulance and Dental	Ambulance Services	Dental Services	Applicable Health Plan
IMET	0.6089	0.6089	0.4386	MISC.
IOR	0.9158	0.9158	0.9289	MISC.
IOR	0.9158	0.9158	0.9289	DOD-NO VA SHARING AGREEMENT
DoD/VA				DOD-VA SHARING AGREEMENT/LOCAL
	0.8	0.8	0.8	DOD-VA SHARING AGREEMENT/NATION
	0.9	0.9	0.9	AL
				DOD-VA SHARING AGREEMENT/ALASKA



# Immunization Rates



- Tiered sourcing utilized
  - CMAC TRICARE rates
  - Purchased Care Allowable Amounts
  - Flat Rate

- 944 TRICARE Based Codes
- 227 Purchased Care (1 Year) Based Codes
- 128 Historical Purchased Care (5 Year) Based Codes
- 115 MEPRS Flat Rate Based Codes
- 8.15% change in average item price

## 2025 Highlights

- **O&M Inflation Factor of 3.38% was applied to calculate flat rate for CY25**
- PSC Historical Pull for Outlier Rates +/-30% variance .
- 415 New Codes, 119 Modified Codes, 204 Deleted Codes



## CY25 Outpatient Rate Summary

- 2025 Outpatient Rate package is set to be effective October 1, 2025.
  - DHA UBO rates are developed to accommodate Military Health Systems billing systems and solutions.
  - Outpatient rates are developed by the DHA UBO for each outpatient encounter, service, procedure, or supply provided at a MTF.
    - ✓ Formatted and sorted specifically for DHA UBO.
- Comprised of 9 rate components.
  - Includes one mapping table



## DHA UBO Inpatient Rates



## Inpatient Room and Board Rates

- Inpatient rates - Billing inpatient medical services at MTFs.
- Effective rates for CY 2025 Inpatient Billing Rates.
  - Rates are effective October 1, 2025, until superseded.
- Upon transition from ASA Rates to IRU based billing and room and board rates, the schedule for room and board and other itemized rates utilized for inpatient services is now aligned with the outpatient rates schedule.
- Inpatient rates are based on inpatient costs not covered by itemized billing per region divided by occupied bed days.





# Inpatient Room and Board Rates

Regional Charge Table	Full Cost Rate	Step Down Rate (1.1X)	Intensive Care Rate (1.2X)
Alaska	\$2,347.26	\$ 2,581.98	\$2,816.71
Colorado	\$2,835.84	\$ 3,119.42	\$3,403.00
Florida	\$3,054.31	\$3,359.74	\$3,665.18
Georgia	\$1,767.55	\$1,944.31	\$2,121.07
Kansas	\$2,094.06	\$2,303.46	\$2,512.87
Kentucky	\$1,967.28	\$2,164.01	\$2,360.74
Mississippi	\$1,906.06	\$2,096.66	\$2,287.27
National Capital Region	\$2,889.78	\$3,178.76	\$3,467.73
Non-Us	\$2,404.72	\$2,645.20	\$2,885.67
North Carolina	\$1,901.41	\$2,091.55	\$2,281.70
Puget Sound	\$4,424.70	\$4,867.17	\$5,309.63
Sacramento	\$2,371.26	\$2,608.39	\$2,845.51
San Diego	\$2,573.94	\$2,831.33	\$3,088.72
Texas	\$1,933.89	\$2,127.28	\$2,320.67
Tidewater	\$1,542.14	\$1,696.35	\$1,850.56



## Rate Requests



# Rate Request Process

- MTF/billing office identifies the CPT®/HCPCS procedure code that is not included in the DHA UBO rates file.
- Draft a written explanation telling why the code(s) should be applied a charge, the date(s) of service, the number of times and specific details of when/how the code is being used are all helpful.
- Submit request with justification to UBO Manager/Lead.
- UBO Manager/Lead forwards the written explanation and/or supporting documentation to the DHA UBO Helpdesk with a request for pricing.
  - Use "DHA UBO Rate Request" in the subject line.
- The pricing request will be forwarded to the appropriate SME for verification.
  - If confirmed that there is no DHA UBO current rate, a recommendation for an Out-of-Cycle (OOC) rate update may be considered.
  - SME determines the recommended rate structure and charge to apply, if any.
  - SME submits the recommended charge and supporting justification/documentation (including no charge if insufficient justification and documentation) to the PO for review and approval.
- Upon PO approval, charges are updated and submitted to be included in the next rates cycle update.



## Resources



# Resources

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- Health.Mil
  - <https://www.health.mil/Military-Health-Topics/Access-Cost-Quality-and-Safety/Uniform-Business-Office/UBO-Rates-Overview/MHS-UBO-Rates>
- Sharepoint
  - <https://militaryhealth.sharepoint-mil.us/sites/j8-brm-ubo/SitePages/MHSUBORates.aspx>



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