



HPSA Bonus Payment Modifier Change

Bonus payments in Health Professional Shortage Areas (HPSA) are payments made to providers in medically underserved areas. TRICARE Medically underserved areas are the same as those determined by the Secretary of Health and Human Services for the Medicare program.

TRICARE requires a “QU” (urban area) and “QB” (rural area) modifier to replace the single modifier “AQ” for services rendered on or after January 1, 2006. Additionally, Physician Scarcity Area (PSA) TRICARE providers must continue to apply the “AR” modifier for services rendered in a PSA.

TRICARE requires the “AQ” modifier on every valid HPSA claim; although, Medicare pays the HPSA bonus payment without the need for a modifier on the claim

Remember to include the “AQ” or “AR” CPT modifier in Box 24d of the CMS-1500 claim form. For CPT codes with multiple modifiers, place the AQ or AR modifier last. Be sure to include the appropriate bonus payment modifier with your initial TRICARE claim submission. Claims without the appropriate modifiers are not eligible for the bonus payment from TRICARE. There aren't any retroactive payments or appeals for obtaining bonus payments.

Only one HPSA bonus and one PSA bonus is paid if an overlap of HPSAs (medical vs. mental health) and PSAs (primary care vs. specialty) occurs.

In order to receive the bonus payment, all HPSA TRICARE claims must have the “AQ” modifier