

Status and Impacts of Reductions in TRICARE Prime Service Area (PSA): Required by House Report 114-102, Pages 160-161, to H.R. 1735, the NDAA for FY 2016

19 April 2016



“Medically Ready Force...Ready Medical Force”

Summary



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Overview



National Defense Authorization Action (NDAA) for Fiscal Year (FY) 2016:

- Section 701 of the NDAA FY 2016 affords affected beneficiaries with a one-time election to continue their TRICARE Prime enrollment if involuntarily dis-enrolled from TRICARE Prime due to the Prime Service Area (PSA) reduction on September 30, 2013.
- The statute specifically limits the right to make the one-time election to affected beneficiaries who live in a ZIP code impacted by the PSA reduction and reside outside of 100 miles from a Military Treatment Facility (MTF).
 - Note: Beneficiaries residing within 100 miles of a MTF were previously afforded this right in the FY 2014 NDAA.

Background: PSA Reduction Policy



- TRICARE's general TRICARE Prime enrollment policy, as part of the PSA reduction, permitted beneficiaries:
 - Who live outside of a remaining PSA, but within 100 miles of an available MTF or civilian network Primary Care Manager (PCM) in a remaining PSA,
 - To execute a drive time waiver and apply to continue their TRICARE Prime enrollment.
 - Under this general enrollment policy:
 - Contractors are not required to establish sufficient network capacity to grant enrollment to beneficiaries who reside outside of the PSA;
 - Enrollment for those beneficiaries is based on availability/capacity and is not a matter of right.

Background: PSA Reduction



- On October 1, 2013, the number of PSAs was reduced by eliminating those PSAs not built around a MTF or Base Realignment and Closure (BRAC) site.
 - This change affected approximately 181,000 retired beneficiaries who were enrolled in those PSAs.
 - Elimination of the PSAs did not change the TRICARE benefit for Active Duty Service members (ADSMs) or Active Duty family members (ADFMs) living in the PSAs and enrolled in TRICARE Prime.
 - Retiree beneficiaries in TRICARE Prime in the affected PSAs could re-enroll to a more distant MTF or BRAC PSA if it was less than 100 miles from their residence.
 - Retired beneficiaries always have access to TRICARE Standard, which is the basic entitlement established by law.

Background: PSA Reduction (Continued)



- ❑ Affected beneficiaries were mailed two notification letters (February-September 2013) and a final disenrollment letter. All three letters provided the beneficiary with information about their TRICARE plan options, including a statement that they may be able to re-enroll in TRICARE Prime depending on their location.
- ❑ The PSA change and TRICARE options available were also announced on the www.tricare.mil Web site and via multiple media releases.

Background: NDAA FY 2014



- Section 701 of P.L. 113-66, signed into law December 26, 2013:
 - Certain beneficiaries who were dis-enrolled from TRICARE Prime on September 30, 2013, due to the PSA changes, were given a “one-time” election to continue in TRICARE Prime under certain conditions.
 - To make this one-time election dis-enrolled beneficiaries had to reside in a zip code that was a PSA as of September 30, 2013, and within 100 miles of a MTF.
 - Section 701 required an available PCM for all of the beneficiaries within 100 miles of a MTF who chose to re-enroll and continue their TRICARE Prime enrollment.

Background: NDAA FY 2016



- With passage of the NDAA for FY 2016:
 - Section 701 was amended to require a one-time election of TRICARE Prime and an available PCM for those who reside more than 100 miles outside of a MTF.
 - Section 701 specifically limited this one-time election to those eligible beneficiaries by reason of service in the Army, Navy, Air Force, or Marine Corps (eligibility cannot be based on affiliation with the United States Coast Guard, Public Health Service, or National Oceanic and Atmospheric Administration).

Discussion



- Impacted beneficiaries who want to continue their enrollment in TRICARE Prime pursuant to NDAA FY 2016, Section 701 will be required to:
 - Execute a drive time waiver, and
 - Enroll to a PCM within a remaining PSA.
- The statute did not mandate the creation of a separate geographic network (within drive time standards) to support these beneficiaries.

Implementation Plan



- Letters will be mailed to the 43,745 impacted beneficiaries (across 22,604 distinct beneficiary families) on/or about April 28, 2016, that live outside of 100 miles of a MTF, advising them of their right to make a "one-time" election to re-enroll in TRICARE Prime and the re-enrollment process.
 - ❑ Beneficiaries will have until August 30, 2016, to make their one-time election, to ensure compliance with Section 701.
 - ❑ To re-enroll, beneficiaries must submit a new Prime Enrollment Form (DD Form 2876) and waive their drive time standards.
 - ❑ The managed care contractors will ensure a PCM is available and assist the beneficiary with completing their enrollment.
 - ❑ Beneficiaries who choose not to re-enroll will not need to take any action. They currently have access to TRICARE Standard.
- Beneficiaries will be re-enrolled effective the date their enrollment application is processed in accordance with our existing business rules.

Implementation Plan (Continued)



- Necessary modifications to the TRICARE contracts and applicable TRICARE Manual provisions have been made to ensure a PCM is available to beneficiaries requesting re-enrollment per NDAA FY 2016, Section 701.
- A robust communication plan is being developed to ensure all affected beneficiaries are informed of their right to make the "one-time" election to continue their TRICARE Prime enrollment. The plan includes:
 - Mailing each beneficiary family a letter,
 - Conferences with the military associations,
 - Conferences with the regional TRICARE contractors,
 - Media releases, and
 - Social media and Web site announcements.

Conclusions



- The NDAA for FY 2016 gives more than 43,000 thousand beneficiaries residing greater than 100 miles from a PSA the one-time election opportunity to re-enroll in TRICARE Prime.
- The affected beneficiaries will have a clear opportunity to re-enroll in TRICARE Prime, as provided by law.
 - The eligible beneficiaries who were involuntarily dis-enrolled as of September 30, 2013, will be mailed a letter advising them of this “one-time” enrollment option and the re-enrollment process.
 - The notification letters will be mailed on/about Apr 28, 2016.
 - Beneficiaries will have until August 30, 2016, to make their one-time election.