

## Upcoming Changes to the TRICARE Program

In the next year, we're going to see some important changes to the TRICARE health program. These changes are a result of:

- New regional contracts to manage the TRICARE benefit; and
- The 2017 National Defense Authorization Act

### What can you do to help beneficiaries prepare for the changes?

Let beneficiaries know they should:

- Register for a [DS LOGON](#) so they can sign in to [milConnect](#) to:
  - Update their personal information in the [Defense Enrollment Eligibility Reporting System](#);
  - Add an e-mail address to their record; and
  - Sign up for [eCorrespondence](#) so they can get important updates.
- Sign up for [email alerts or SMS/Text Messages](#) about the changes.

### New Regional Contracts to Administer the TRICARE Benefit

The new regional contracts are the fourth generation of Managed Care Support Contracts since 1994. The goal with each generation of contracts is to improve the delivery, quality, and cost of health care services.

#### Key Changes in the New Contracts:

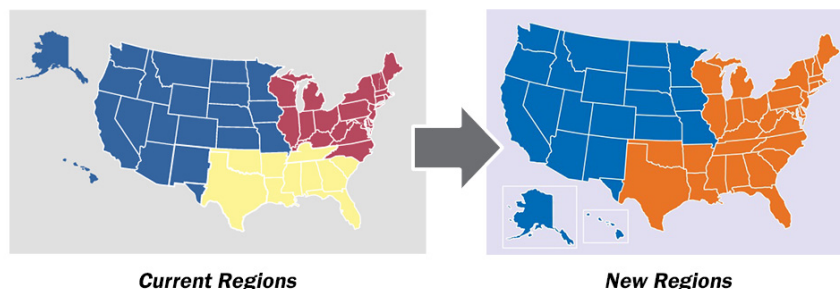
##### Improved Integration across the MHS

To improve our beneficiaries' experience of care, the new contract improves integration between direct care and purchased care.

Change	Resulting in...
Process referrals electronically	<ul style="list-style-type: none"> <li>• Reduced wait times for beneficiaries to get specialty care</li> <li>• Less administrative burden for military hospitals and clinics</li> </ul>
Share more data across the enterprise	<ul style="list-style-type: none"> <li>• Improved beneficiary care coordination and access to care</li> <li>• Real time access to data on utilization and medical management</li> </ul>
Increase the use of analytics and standardized metrics	<ul style="list-style-type: none"> <li>• Fewer gaps in care</li> <li>• Improved clinical quality and patient safety</li> </ul>

### Going from 3 TRICARE Regions to 2

The new contract reduces the number of regions to 2.



- **East Region** (combines the North and South Regions)
  - Contractor: Humana Government Business, Inc.
  - Claims processor: Wisconsin Physicians Service (WPS) Military and Veterans Health
- **West Region (same as the current West Region)**
  - Contractor: Health Net Federal Services, LLC.
  - Claims processor: Palmetto Government Benefits Administrators (PGBA), LLC.

The 2-region concept supports consistency by:

- Reducing administrative differences across regions
- Reducing administrative costs; and
- Providing seamless support to our mobile TRICARE beneficiary population.

**2017 National Defense Authorization Act**

The [2017 National Defense Authorization Act](#) (NDAA) was signed into law by President Barack Obama on December 23, 2017. It includes changes to the TRICARE benefit. The biggest change creates 2 core TRICARE benefit plans. We expect the change to go into effect on Jan. 1, 2018.

New Plan	Description
<b>TRICARE Prime</b>	<ul style="list-style-type: none"> <li>• Managed care style plan similar to a commercial health maintenance organization (HMO) plan</li> <li>• Centered around military hospitals and clinics</li> <li>• Similar to the current TRICARE Prime option</li> <li>• Has different cost share and copays amounts</li> </ul>
<b>TRICARE Select</b>	<ul style="list-style-type: none"> <li>• Preferred provider organization (PPO) style plan</li> <li>• Replaces the current TRICARE Standard and Extra plans</li> <li>• Creates an annual enrollment fee for retirees</li> <li>• Changes in deductibles and cost shares</li> <li>• Grandfathers current beneficiaries with the TRICARE Standard/Extra deductible and costshares</li> </ul>

**What does this mean for our current beneficiaries?**

Not much right now. Current TRICARE beneficiaries are grandfathered under the new law.

**What does this mean?**

Beneficiaries using:

- TRICARE Prime will continue to have the same costs
- TRICARE Standard and Extra will continue to have the same costs but the plan name will change to TRICARE Select.

**Other key changes directly affecting TRICARE are:**

<b>NDA Section</b>	<b>What it changes:</b>
<b>704</b>	Removes urgent care preauthorization requirements in areas without MTFs and increases MTF urgent care hours.
<b>709</b>	Standardizes MTF appointment scheduling system across all MTFs.
<b>711</b>	Creates TRICARE eligibility for Guard/Reserve members and their dependents during disaster response duty, if the period immediately follows a period of full-time National Guard duty.
<b>712</b>	Pilot program to provide commercial health insurance coverage to eligible Reserve Component members and their families.
<b>713</b>	Allows DoD to sell hearing aids to retiree family members.
<b>714</b>	Allows TRICARE to cover medically necessary food vitamins and supplies and equipment, to treat disorders and inherited metabolic disorders.
<b>715</b>	Allows eligible TRICARE beneficiaries to participate in the Federal Employees Dental and Vision Insurance Program.
<b>717</b>	Allows veterans and other civilians to receive evaluation and treatment at MTFs on a space-available basis to help maintain the medical readiness, skills and competencies of health care providers at the facility.
<b>729</b>	Incentivizes beneficiaries with certain health conditions or who exhibit unhealthy behaviors to participate in comprehensive medical or lifestyle intervention programs and exercise and weight management programs. Incentives could include lowered enrollment fees, cost share rates and copays.

There are also a number of changes in the 2017 NDA that will change organizational structure of military health commands, behind-the-scenes processes and transparency requirements.

As soon as we have more specific details on all of the changes, we promise to share them with you. Stay tuned for more!