

INFORMATION SHEET

Federal Employees Health Benefit (FEHB) Program & Uniformed Services TRICARE Health Benefits Programs

Introduction

TRICARE is the Department of Defense's worldwide health care program for active duty and retired uniformed services members and their families. TRICARE is a managed health care program for active duty military, active duty service families, retirees and their families, and other beneficiaries. TRICARE consists of TRICARE Prime, a managed care option; TRICARE Extra, a preferred provider option; and TRICARE Standard (formerly called CHAMPUS), a fee-for-service option. TRICARE for Life is also available for Medicare-eligible beneficiaries age 65 and over. Additionally, activated National Guard and Reserve Members and Family Members may be entitled to "Early" TRICARE prior to active duty and/or Transitional TRICARE or TRICARE Reserve Select after separation from active duty.

Extended Dependent Coverage up to Age 26

The National Defense Authorization Act for Fiscal Year 2011 was recently signed by the Senate and House. The law includes a provision to extend premium-based health coverage to eligible dependent children until age 26, similar to the provision in the 2010 Patient Protection and Affordable Care Act. The recent Patient Protection and Affordable Care Act (Public Law 111-148) did not give the Department of Defense the authority to offer this benefit through TRICARE. Upon implementation later this spring, qualified, unmarried dependents up to age 26 will be able to purchase TRICARE on a month-to-month basis. Those who are eligible to purchase coverage should save their receipts after the first of the year, as the benefit will be retroactive to January 1, 2011, provided premiums are also paid back to January 1.

TRICARE Prime

TRICARE Prime is a managed care option similar to a civilian health maintenance organization (HMO). This option requires enrollment. Active duty service members are required to enroll in Prime. Active duty family members, retirees, and their family members are encouraged, but not required, to enroll in Prime. However, to receive the TRICARE Prime benefit, they must reside where TRICARE Prime is offered.

TRICARE Prime offers less out-of-pocket costs than any other TRICARE option. Active duty members and their families do not pay enrollment fees, annual deductibles, or co-payments for care in the TRICARE network. Retired service members pay an

annual enrollment fee of \$230 for an individual or \$460 for a family, and minimal co-pays apply for care in the TRICARE network. Although Prime offers a "point-of-service" option for care received outside of the TRICARE Prime network, receiving care from a nonparticipating provider is not encouraged.

TRICARE Prime enrollees receive most of their care from military providers or from civilian providers who belong to the TRICARE Prime network. Enrollees are assigned a primary care manager (PCM) who manages their care and provides referrals for specialty care. All referrals for specialty care must be arranged by the PCM to avoid point-of-service charges.

Tricare Prime enrollees are guaranteed certain access standards for care. The chart below describes the access standards for Prime enrollees.

| | Urgent Care | Routine Care | Referred/Specialty Care | Wellness/ Preventive Care |
|------------------------------|---|------------------------------------|------------------------------------|----------------------------------|
| Appointment wait time | Not to exceed 24 hours | Not to exceed seven days | Not to exceed four weeks | Not to exceed four weeks |
| Drive time | | Within 30 minutes from home | Within 60 minutes from home | |
| Wait time in office | Not to exceed 30 minutes for non-emergency situations. | | | |

TRICARE Extra & TRICARE Standard (formerly CHAMPUS)

TRICARE Extra and TRICARE Standard are available for all TRICARE-eligible beneficiaries who elect not to enroll in TRICARE Prime. Active duty service members are not eligible for Extra or Standard. There is no enrollment fee required for TRICARE Extra or Standard—no annual enrollment fees, no enrollment forms. Beneficiaries are responsible for annual deductibles and cost-shares. Beneficiaries may see any TRICARE authorized provider they choose, and the government will share the cost with the beneficiaries after deductibles.

TRICARE Extra is a preferred provider option (PPO) in which beneficiaries choose a doctor, hospital, or other medical provider within the TRICARE provider network.

TRICARE Standard is a fee-for-service option. Beneficiaries can see an authorized provider of their choice. People who are happy with coverage from a current civilian provider often choose this option. Having this flexibility means that care generally costs more. The chart below shows the differences between Extra and Standard.

| | TRICARE Extra | TRICARE Standard |
|-------------------------------------|--------------------------------------|---|
| Physician/Provider | In network | Not in network, but still an authorized provider |
| Cost share after deductibles | 5% less than TRICARE Standard | 20% active duty families 25% retirees and their families plus the difference between the TRICARE allowable charge and the doctor's billed charge |

TRICARE For Life

When beneficiaries age 65 and over become eligible for Medicare Part A, they can use TRICARE For Life (TFL) if they enroll in Medicare Part B. These beneficiaries are not eligible for TRICARE Prime but are eligible to use network and non-network providers under TRICARE Extra and TRICARE Standard. Under TFL, TRICARE acts as a second payer to Medicare for benefits payable by both Medicare and TRICARE. Beneficiaries can use an authorized Medicare provider and claims will be automatically sent to TRICARE after Medicare pays its portion. There are no enrollment fees for TFL as beneficiaries are only required to pay the Medicare Part B premium. TRICARE is the first payer for benefits such as pharmacy, which are available only under TRICARE.

“Early” TRICARE

Some members of the National Guard and Reserve (collectively known as the Reserve Component or RC) who are issued delayed-effective-date active duty orders for more than 30 days in support of a contingency operation, are eligible for “Early” TRICARE medical and dental benefits beginning on the later of either:

- (a). the date their orders were issued; or
- (b). 180 days before they report to active duty.

This early eligibility TRICARE benefit was introduced under Section 703 of the National Defense Authorization Act (NDAA) and the Emergency Supplemental Appropriations Act for Fiscal Year (FY) 2004 and made permanent by Section 703 of the NDAA for FY 2005. The Department of Defense implemented the early eligibility

TRICARE benefit in July 2004. Section 1074(d)(1)(B) of Title 10, United States Code, is amended from “90 days” to “180 days).

Transitional TRICARE

The Transitional Assistance Management Program (TAMP) offers transitional TRICARE coverage to certain separating active duty members and their eligible family members. Care is available for a limited time. Under the National Defense Authorization Act for Fiscal Year 2005, effective Oct. 28, 2004 TRICARE eligibility under the TAMP has been permanently extended from 60 or 120 days to 180 days.

The four categories for TAMP are:

- Members involuntarily separated from active duty and their eligible family members;
- National Guard and RCs separated from active duty after being called up or ordered in support of a contingency operation for an active duty period of more than 30 days and their family members;
- Members separated from active duty after being involuntarily retained in support of a contingency operation and their family members; and
- Members separated from active duty following a voluntary agreement to stay on active duty for less than one year in support of a contingency mission and their family members.

Active duty members and family members enrolled in TRICARE Prime who desire to continue their enrollment upon the member’s separation from active duty status are required to reenroll. To reenroll in TRICARE Prime, the member or family member must complete and submit a TRICARE Prime enrollment application.

TRICARE Reserve Select (TRS)

TRICARE Reserve Select is a premium-based TRICARE health plan offered for purchase by certain members and former members of the RC and their families, if specific eligibility requirements are met.

TRS coverage is available to eligible RC members who were called or ordered to active duty, in support of a contingency operation, as defined in section 101(a) (13) (B) of Title 10, United States Code, for more than 30 consecutive days on or after September 11, 2001.

To be eligible, the member must have served continuously on active duty for 90 days or more under those orders. The length of time served determines the maximum period of coverage offered under TRS. Reserve Component members who are otherwise

eligible, but did not serve continuously on active duty for 90 days under those orders due to an injury, illness, or disease incurred or aggravated while activated, may be eligible for one year of TRICARE Reserve Select coverage.

RC Members and their Reserve Component unit will need to agree for the member to stay in the Select Reserve for one or more whole years to qualify.

TRS eligibility is determined by the Reserve Component and the RC member's agreement to service in the Selected Reserve, which is recorded in DEERS – the Defense Enrollment Eligibility Reporting System by the Service or Reserve Component unit personnel office.

TRS coverage must be purchased. TRS members pay a monthly premium for health care coverage (for self-only or for self and family). Adjusted effective January 1st each year, the premiums for calendar year 2011 are:

\$ 53.16 per month for TRS member-only coverage

\$197.76 per month for TRS member and family coverage

TRS offers comprehensive health care coverage similar to TRICARE Standard and TRICARE Extra. TRS members can access care by making an appointment with any TRICARE authorized provider, hospital, or pharmacy—TRICARE network or non-network. TRS members may access care at a military treatment facility (MTF) on a space-available basis only. Pharmacy coverage is available from an MTF pharmacy, TRICARE Mail Order Pharmacy (TMOP), and TRICARE network and non-network retail pharmacies.

For additional information about the Reserve Component and the Selected Reserve, visit www.defenselink.mil.

Detailed information regarding TRICARE options and programs may be found on the TRICARE/Military Health System Web site is www.tricare.osd.mil.

Employees Covered by Federal Employees Health Benefits Called to Active Duty

Employees who are covered by the Federal Employees Health Benefits Program (FEHBP) and are either separated or placed in a LWOP status to perform military service, may continue to be covered by FEHB for up to 24 months, unless the employee elects in writing to have the enrollment terminated. If the employee chooses to continue the FEHB, and the employee has been called to active duty in support of a contingency operation, the agency will pay both the employee and agency share of the premium, up to the 24-month limit. If the employee's military service is not in support of a contingency operation, he/she is responsible for paying the employee share of the premium for the

first 12 months and 102% of the full premium for the final 12 months of continued coverage. During the first 12 months, employees may pay currently (generally with after-tax monies) or incur a debt to be paid upon their return (generally on a pre-tax basis if the employee participates in premium conversion). The cost for the final 12 months must be paid currently. In both cases, when the coverage terminates at the end of the 24-month period, the employee is entitled to a 31-day extension of coverage to convert to a non-group contract.

When the employees active duty ends and they either elected to terminate their FEHB enrollment or their FEHB enrollment was terminated at the end of 18 months or 24 months, they may elect to waive reinstatement of their FEHB coverage for up to 6 months if they are entitled to transitional TRICARE. They may cancel that waiver and elect to reinstate their FEHB enrollment at any time during the 6 months. The enrollment should be automatically reinstated at the end of the 6 months transitional TRICARE coverage. BAL 2005-402, dated June 28, 2005, provides detailed procedures on delayed reinstatement of FEHB for employees and annuitants with transitional TRICARE. If an employee has TRICARE Reserve Select they can have their FEHB reinstated effective the day after the TRS coverage ends. BAL-2006-207 lists the changes in loss of TRS coverage.

To continue FEHB into retirement, an employee must be covered by FEHB on the date of retirement and must have been continuously enrolled (or covered as a family member) in any FEHB plan(s) for the 5 years of service immediately before the date the annuity starts, or for the full period(s) of service since the first opportunity to enroll (if less than 5 years). An employee is not required to have been an *enrollee* continuously, but must have been continuously *covered* by an FEHB enrollment, including time covered as a family member under another person's FEHB enrollment and time covered under the Uniformed Services Health Benefits Program (TRICARE or CHAMPUS) as long as the employee was covered under an FEHB enrollment at the time of retirement. (An employee must enroll in FEHB within 60 days after losing coverage under the Uniformed Services Health Benefits Program for that time to be considered as part of continuous FEHB coverage).