Briefing on TRICARE in Washington

Washington State Joint Committee on Veterans’ & Military Affairs

October 3, 2012
Briefing Agenda

Washington Joint Committee on Veterans’ and Military Affairs

October 3, 2012

- Overview of TRICARE
  - What is TRICARE?
  - Who is Eligible for TRICARE Benefits?
  - TRICARE Benefit Options
  - TRICARE and Other Health Insurance
  - TRICARE Program Management
  - TriWest Operational Overview
- WA State Demographic/Operational Overview
  - TriWest Operations and Customer Support
  - Eligible Population/Provider Demographics
  - Guard/Reserve Benefits and Support
- TRICARE Program Updates
  - TRICARE Benefit Changes
  - T-3 Contract Transition
- Q & A
What is TRICARE?

- A component of the Department of Defense’s Military Health System, implemented in the mid-90’s, to supplement the existing military health infrastructure
- TRICARE is not an insurance program – TRICARE is a military entitlement benefit (eligibility determined by Service branches)
- Three TRICARE regions in U.S. (West, North and South)
- Each Region serves around 2.9 million beneficiaries
- TRICARE regions also in place outside the U.S.
  - TRICARE Europe
  - TRICARE Latin America
  - TRICARE Pacific
Who is Eligible for TRICARE?

- Available to the seven Uniformed Services
  - U.S. Army
  - U.S. Air Force
  - U.S. Navy
  - U.S. Marine Corps
  - U.S. Coast Guard
  - Commissioned Corps of the Public Health Service (PHS)
  - Commissioned Corps of the National Oceanic and Atmospheric Association (NOAA)

- Beneficiary Categories
  - Active Duty and their eligible family members
  - Reserve Component (Nat’l Guard/Reserve) and their family members
  - Military retirees and their family members
  - Includes Medal of Honor recipients and their family members; surviving family members and unremarried former spouses

- Approximately 357,000 TRICARE-eligible beneficiaries in the state of Washington
TRICARE Benefit Options

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• TRICARE Prime (HMO)
  • Active Duty/Family Members, Retirees/Family Members (under 65)
  • Enrollment-based; annual enrollment fee and co-pays
• TRICARE Standard (Indemnity)
  • Cost-shares and deductible
  • Can see any provider accepting TRICARE
• TRICARE Extra (PPO)
  • Added benefit by utilizing network providers
• TRICARE Prime Remote (TPR)
  • Active Duty/families in remote areas
• TRICARE Reserve Select (TRS)
• TRICARE Retired Reserve (TRR)
• TRICARE Young Adult (TYA) – dependents up to 26 years old
• TRICARE For Life - qualifying military retirees & family over 65
• Continued Health Care Benefit Program (CHCBP)
TRICARE and Other Health Insurance

Other Health Insurance (OHI)

- TRICARE is always secondary to OHI (with the exception of Medicaid, TRICARE supplements and the Indian Health Service)
- TRICARE will pay remainder of claim (up to TRICARE allowable charge) after OHI has completed processing of claim

Medicare and TRICARE (TRICARE for Life/TDEFIC)

- Medicare is primary to TRICARE coverage
- Medicare picks up authorized amount; TRICARE typically picks up remaining amount (if covered by both programs)
- Medicare Part A (and purchase of Medicare Part B) required in most circumstances to retain TRICARE coverage when Medicare-eligible

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TRICARE Program Management

Office of the Assistant Secretary of Defense for Health Affairs (OASD/HA)

TRICARE Management Activity (TMA)

TRICARE Regional Office - North (TRO-North)

HealthNet Federal Services (HNFS)

TRICARE Regional Office - South (TRO-South)

Humana Military Health Services (HMHS)

TRICARE Regional Office - West (TRO-West)

TriWest Healthcare Alliance (TriWest)

Wisconsin Physicians Service (WPS) – TRICARE for Life/TDEFIC

United Concordia – Active Duty Dental Program

MetLife – Active Duty Family Member Dental Program

Delta Dental – Retiree Dental Program

Express Scripts – TRICARE Pharmacy Program

HMHS – Continued Health Care Benefit Program (CHCBP)
TriWest Operational Overview

• TriWest is the Managed Care Support Contractor (MCSC) for TRICARE West Region
• Primary contractually-required services that TriWest provides:
  • Develop/build/maintain civilian provider & facility networks to support healthcare needs
  • Educate beneficiaries on TRICARE benefits and use of TRICARE program
  • Manage coordination/processing of medical - healthcare access to services (Authorizations/Referrals)
  • Process TRICARE Program enrollment applications & payments
  • Process/pay claims for healthcare services provided
  • Manage customer service interactions
TRICARE Field Operations

George Cargill

Vice President of Operations for Northwest Market
Regional Market Areas

TRICARE West Region
Operational Areas of Responsibility

Serving Those Who Serve

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TriWest Local Operations

• Washington, Oregon, Idaho & Montana in Northwest Market
  • George Cargill, Vice President of Operations
  • Rick Becker and Mike Hanley, Service Area Directors
    • Regional Hub Office in Tacoma
    • WA TRICARE Service Centers
      • Madigan Army Medical Center
      • Ft. Lewis Welcome Center
      • McChord AFB
      • Fairchild AFB
      • Bremerton Naval Hospital
      • Oak Harbor Naval Hospital
      • Everett Naval Station
      • Port Angeles USCG
      • Seattle USCG
      • Yakima Army Training Center
TriWest Local Operations (cont’d)

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- 10 TRICARE Service Centers in Washington:
  - TSC operational management
  - Clinical support/coordination (on-site & Tacoma Hub)
  - Local TRICARE program management
- TRICARE Service Representatives
  - Face-to-face customer service
  - Eligibility verification, general benefits education, enrollment processing, research claims issues
- Additional resources for customers
  - WWW.TRIWEST.COM
  - 1-888-TriWest (contact center in Tacoma Hub)
Washington Prime Service Areas (PSAs)

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### Washington TRICARE Beneficiary Statistics

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Washington TRICARE Program Eligible Beneficiaries*

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
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</thead>
<tbody>
<tr>
<td>AD/RC Service Members</td>
<td>75,000</td>
</tr>
<tr>
<td>AD/RC Family Members</td>
<td>99,000</td>
</tr>
<tr>
<td>Retiree/Family Members</td>
<td>112,000</td>
</tr>
<tr>
<td>Retirees (&gt; 65) TRICARE For Life</td>
<td>71,000</td>
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</tbody>
</table>

**Total Eligible**  357,000

* As of May 2012  
+ Amount rounded to nearest thousand

- Approximately 225,000 TRICARE beneficiaries are enrolled in TRICARE Prime benefit
### Summary of Contracted/Network Civilian Network*

<table>
<thead>
<tr>
<th>Within WA PSAs</th>
<th>Outside WA PSAs</th>
<th>State of WA**</th>
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</thead>
<tbody>
<tr>
<td>PCMs: 3,029</td>
<td>N/A</td>
<td>3,029</td>
</tr>
<tr>
<td>Spec: 13,940</td>
<td>2,441</td>
<td>16,381</td>
</tr>
<tr>
<td>BH: 2,365</td>
<td>201</td>
<td>2,566</td>
</tr>
<tr>
<td>Facilities: 572</td>
<td>98</td>
<td>670</td>
</tr>
<tr>
<td>Total: 19,906</td>
<td>2,740</td>
<td>22,646</td>
</tr>
</tbody>
</table>

* As of September 2012

** Second largest provider network in TRICARE West Region (#1 – CA)
WA TRICARE M/S Provider Network Locations

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Coverage Life Cycle

Early Eligibility
Service Member – Direct Care
Family Members – Prime/Prime Remote
Standard/Extra

Transitional Assistance Management Program (if eligible)
Continued Health Care Benefit Program

TRICARE Reserve Select

Active Duty - Prime/Prime Remote
Family – Prime/Prime Remote Standard/Extra
TRICARE Benefit Additions & Changes

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• TRICARE Fee Changes
  • TRICARE Prime yearly enrollment fee was adjusted in 2011 to $260 individual / $520 family as of 1 Oct, 2011
    • First enrollment fee adjustment since 1996
  • TRICARE Prime yearly enrollment fee (for those enrolled on or after 1 Oct , 2011) for 2012 will be $269.28/$538.56
  • Other fee changes for:
    • TRICARE Reserve Select premiums ($51.62 individual, $195.81 family, per month)
    • TRICARE Retired Reserve premiums ($402.11 individual, $969.10 family, per month)
    • TRICARE Dental fees change in February 2013
T-3 Contract Transition

- 3rd Generation of TRICARE Contracts (T-3)
  - Contract procurement process was completed in July
  - New contractor (UnitedHealth Military & Veterans Affairs) chosen by Department of Defense for T-3 contract
  - Contract effective date is April 1, 2013
  - TMA/TRO-West is working to facilitate transition between TriWest and UnitedHealth to minimize disruption to eligible TRICARE population
  - TRICARE benefit is not changing – just the TRICARE managed care support contractor
  - Eligible population will receive ongoing communications from TRICARE, TriWest and UnitedHealth regarding transition
Thank You!
Reserve Component Coverage Cycle

Early Eligibility
Service Member – Direct Care
Family Members – Prime/Prime Remote
Standard/Extra

Pre-Activation

Traditional Status

Post-Activation

Activation

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Pre-Activation Benefit - (180 Days Prior to Deployment)

• Service Members
  • Living within 50 miles of a military installation: access care at the military installation
  • Living more than 50 miles from a military installation: access routine, urgent, emergent care from a routine provider who is
    • TRICARE Certified/Authorized
    • TRICARE Network

• Family Members
  • Access care the same as activation

Verify eligibility at: https://www.dmdc.osd.mil/GuardReservePortal
Coverage Life Cycle

Early Eligibility
Service Member – Direct Care
Family Members – Prime/Prime Remote
Standard/Extra

Pre-Activation

Activation

Post-Activation

Traditional Status

Active Duty -
Prime/Prime Remote
Family – Prime/Prime Remote
Standard/Extra

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Post-Activation Benefit

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October 3, 2012

• **While Still on Active Duty Orders:**
  - Service Members
    - Living within 50 miles of a military installation: access care at the military installation
    - Living more than 50 miles from a military installation: access routine, urgent, emergent care from a routine provider who is
      - TRICARE Certified/Authorized
      - TRICARE Network
  - Family Members
    - Access care the same as activation
Coverage Life Cycle

Early Eligibility
Service Member – Direct Care
Family Members – Prime/Prime Remote
Standard/Extra

Transitional Assistance Management Program (if eligible)
Continued Health Care Benefit Program

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Post-Activation Benefit (After AD Orders Stop - 180 Days)

- **Transitional Assistance Management Program (TAMP):**
  - **Service Members**
    - Living more than 50 miles from a military installation:
    - Located in/near a Prime Service Area (PSA) - Enrollment in TRICARE Prime (no cost) to access routine, urgent, emergent care from a provider who is:
      - TRICARE Network/Contracted
    - Not Located in/near a Prime Service Area (PSA) - Participation in TRICARE Standard/Extra (cost shares) to access routine, urgent, emergent care from provider who are:
      - TRICARE Certified/Authorized (Standard - 20%)
      - TRICARE Network/Contracted (Extra - 15%)
  - **Family Members**
    - Access care the same as Service member
Coverage Life Cycle

Early Eligibility
Service Member – Direct Care
Family Members – Prime/Prime Remote
Standard/Extra

Transitional Assistance Management Program (if eligible)
Continued Health Care Benefit Program

TRICARE
Reserve Select

Active Duty - Prime/Prime Remote
Family – Prime/Prime Remote Standard/Extra

Pre-Activation
Activation
Post-Activation
Traditional Status
TRICARE Reserve Select (TRS)

- Premium-based health plan that qualified National Guard and Reserve members may purchase
- May qualify to purchase TRS if qualified individuals meet the following conditions:
  - Selected Reserve/Ready Reserve Members
  - Not eligible for or enrolled in the Federal Employees Health Benefits (FEHB) program
  - Survivors of NG/Reserve may qualify/purchase
### TRICARE Reserve Select Costs

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**October 3, 2012**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monthly Premiums</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRS Member-only:</td>
<td>$54.35</td>
<td>$51.62</td>
</tr>
<tr>
<td>TRS Member and family:</td>
<td>$192.89</td>
<td>$195.81</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Rank E-4 &amp; below:</th>
<th>Rank E-5 &amp; above:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Deductibles</strong></td>
<td>$50/individual or $100/family</td>
<td>$150/individual or $300/family</td>
</tr>
<tr>
<td>(per fiscal year)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Network Provider: 15%</th>
<th>Non-network Provider: 20%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost-Shares</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(after annual deductible is met)</td>
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<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>$1000 per enrollment (per fiscal year)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Catastrophic Cap</strong></td>
<td></td>
</tr>
<tr>
<td>(per fiscal year)</td>
<td></td>
</tr>
</tbody>
</table>
TRICARE Retired Reserve (TRR)

- Premium-based health plan that qualified Retired National Guard and Reserve members may purchase.
- May qualify to purchase TRR if you meet the following conditions:
  - Members of the Retired Reserve of a Reserve Component - qualified for non-regular retirement
  - Under the age of 60
  - Not eligible for or enrolled in the Federal Employees Health Benefits (FEHB) program
  - Survivors of NG/Reserve may qualify/purchase
# TRICARE Retired Reserve Costs

<table>
<thead>
<tr>
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<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monthly Premiums</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRR Member-only:</td>
<td>$419.72</td>
<td>$402.11</td>
</tr>
<tr>
<td>TRR Member and family:</td>
<td>$1024.23</td>
<td>$969.10</td>
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<tr>
<td><strong>Annual Deductibles</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(per fiscal year)</td>
<td>$150/individual or $300/family</td>
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<tr>
<td><strong>Cost-Shares</strong></td>
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<td></td>
</tr>
<tr>
<td>(after annual deductible is met)</td>
<td>Network Provider: 20%</td>
<td>Non-network Provider: 25%</td>
</tr>
<tr>
<td><strong>Catastrophic Cap</strong></td>
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</tr>
<tr>
<td>(per fiscal year)</td>
<td>$3000 per enrollment</td>
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