



# An Introduction to TRICARE

## What is TRICARE?



TRICARE is the health care program serving active duty service members, National Guard and Reserve members, retirees, their families, survivors and certain former spouses worldwide. As a major component of the **Military Health System**, TRICARE brings together the health care resources of the uniformed services and supplements them with networks of civilian health care professionals, institutions, pharmacies and suppliers to provide access to high-quality health care services while maintaining the capability to support military operations.

To be eligible for TRICARE benefits, you must be registered in the **Defense Enrollment Eligibility Reporting System (DEERS)**. TRICARE offers several health plan options to meet the needs of its beneficiary population. Additionally, TRICARE offers two dental plans and several additional special programs.

## Why was TRICARE Created?

By now, most everyone has heard why TRICARE was created. Due to the Base Realignment and Closure (BRAC) Commission's recommendations and a significant decrease in medical personnel, 35 percent of the military hospitals that existed in 1987 have closed. To add even more to the equation, the number of military retirees and their families has increased from eight percent in the 1950's to more than fifty percent of those eligible for care. Simply stated, the demand for health care began to exceed the system's capacity to deliver it. Two more factors are the rising cost of health care and the continuing requirement to maintain a trained and a ready medical corps to support our troops, in peace and combat.



New Terminology...

### **Don't Let It Scare You!!**

**Beneficiary Counseling Assistance Coordinator (BCAC)** – Military Treatment Facility (MTF) staff member who is available to explain entitlements, benefits, programs and procedures, provide lists of participating providers, address claims issues, provide supplemental insurance information, and Non-Availability Statement (NAS) issues.

**Beneficiary Services Representative (BSR)** – representatives at the TRICARE Service Centers who are available to assist you with Primary Care Manager selection,

benefit interpretation, claims resolution, and any other matters that affect your access to healthcare.

**Balance Billing** – a portion of a civilian provider's bill that is above the CHAMPUS Maximum Allowable Charge (CMAC)

Civilian providers who agree to accept the CMAC cannot, by law, charge the patient for the difference between the billed amount and the CMAC rate. Providers who do not agree to accept the CMAC rate must limit their charges to no more than 115% of CMAC.

**Catastrophic cap** – the maximum on out-of-pocket expenses in any fiscal year (1 Oct – 30 Sept) for either TRICARE Extra or Standard beneficiaries, or in any enrollment year for TRICARE Prime beneficiaries.

**Catchment Area** – the area defined by USPS Zip Codes within a 40-mile radius of a Military Treatment Facility (MTF).

**CMAC** – CHAMPUS Maximum Allowable Charge, which is the amount TRICARE uses to calculate the benefits it pays under TRICARE.

**Co-payment** – a flat-dollar amount (instead of a percentage of the total cost) that you pay for a prescription or medical service, usually paid directly to the provider at the same time the service is given. Co-payments apply to TRICARE Prime enrolled beneficiaries.

**Cost-share** – the percentage of the allowable charge for medical services that you pay. Your cost-share is one of your out-of-pocket expenses. Cost-shares apply to TRICARE Standard.

**Debt Collection Assistance Officer (DCAO)** – An MTF representative who assists beneficiaries who have received a collection agency notice or negative credit report due to medical treatment received outside the MTF.

**Deductible** – The amount of expenses that must be paid out of pocket before TRICARE benefits begin. TRICARE Extra and Standard have the same annual deductibles. No deductible applies when using a TRICARE Network pharmacy.

\*Note: If you are a TRICARE Prime enrollee and you receive care that is not arranged by your Primary Care Manager through the Point-of-Service option, you must satisfy a deductible. TRICARE Prime coverage coordinated by your Primary Care Manager has no deductibles.

**Health Care Finder** – Generally Registered Nurses who may authorize certain medical procedures, physician referrals, hospital admissions and other medically necessary treatments. Health Care Finders are also responsible for assisting you find appropriate sources of specialty care when you are referred by your Primary Care Manager, as well as administering pre-authorizations.

**MHSS** – Military Health Services System, which is the total healthcare system of the U.S. uniformed services. MHSS includes military treatment facilities (MTF's), as well as various programs in the civilian health care market, such as TRICARE.

**MTF** – Military Treatment Facility

**Non-Availability Statement (NAS)** – Certification that non-emergent inpatient medical care cannot be provided at an MTF and indicates you can seek care from a civilian facility.

**Other Health Insurance (OHI)** – any source of health coverage other than TRICARE. These sources may include Medicare, group employers, associations or private insurers. By Congressional law, OHI is considered your primary health insurance, with TRICARE as a secondary health insurance. OHI does not include CHAMPUS Supplemental Insurance or Medicaid.

**Point of Service (POS)** – This option allows a TRICARE Prime member the freedom of choosing when they seek nonemergency care not coordinated by their Primary Care Manager. However, when using this option, the member must also pay cost-share and deductibles.

**Primary Care Manager (PCM)** – The principal provider (physician, physician assistant, nurse practitioner) who provides for your medical needs. When your PCM coordinates your care, you get maximum Prime coverage benefits

## **Providers**

**TRICARE Network** – a group of healthcare providers who agree to accept the TRICARE maximum allowable charge as payment in full and submit claims for you

- **Network, Non-participating TRICARE providers** – TRICARE-authorized non-network providers who can accept assignment OR choose not to accept assignment on a claim-by-claim basis. IF they do not accept assignment, they may bill the patient up to 115% of the TRICARE maximum allowable charge for services.
- **Network, Participating providers** – TRICARE authorized healthcare providers who agree to accept the TRICARE maximum allowable charge and submit claims for you.
- **Non-Network, Non-participating TRICARE providers** – Healthcare providers who are not TRICARE-authorized. Patients who receive care from these providers are responsible for the entire bill.

**Right of First Refusal (ROFR)** - If you are a TRICARE Prime beneficiary living in a TRICARE Prime Service Area (PSA), it is important to remember that your local military treatment facility (MTF) is your first option for many health care services.

In a PSA, when a primary care manager gives you a referral for specialty care, an inpatient admission or other care requiring written prior authorization, you must first seek that care at the MTF. This is known as the MTF “Right Of First Refusal.”

**TRICARE Provider Locator Service** – TRICARE professionals responsible for helping you find providers in your area, including network providers.

**TRICARE Service Center (TSC)** – a customer service center in your area where the Beneficiary Services Representatives (BSRs) are located. You can visit the TRICARE Service Centers to get answers to any of your questions about your TRICARE coverage, as well as to enroll.



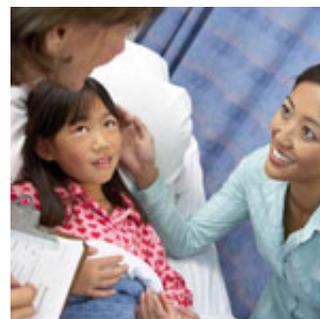
## **Health Benefits Summary**

Remember, there are no costs for outpatient care in a military facility. Inpatient care does require a daily administrative surcharge for most beneficiaries.

All non-active duty beneficiaries can choose from one of three TRICARE healthcare plans, depending on a family's needs or desires. You should take the time to become familiar with each of the programs in order to make an informed decision.

### **TRICARE Prime**

TRICARE Prime is a Health Maintenance Organization (HMO) type plan offering quality care at the lowest out-of-pocket cost when your care is coordinated by a Primary Care Manager (PCM). Some of the key features are:



- Voluntary enrollment
- Offers true managed care
- Maximizes use of the Military Treatment Facility
- Uses the civilian network to supplement the Military Treatment Facility
- Annual enrollment fee (retirees and their families only) plus small, preset co-payments
- No annual deductibles
- No claim forms to fill out
- Referrals to specialists are controlled by your PCM

### **TRICARE Extra**

TRICARE Extra is a Preferred Provider Organization (PPO) that offers cost-saving features when a TRICARE Standard beneficiary uses TRICARE Prime network providers. You receive a 5% discount on your cost-share and there is no balance billing. Some of the key features of this program are:



- Uses military facility (on a space available basis) and civilian network
- Discounted cost-share payments
- Annual deductibles do apply
- No balance billing
- No claim forms

### **TRICARE Standard**



TRICARE Standard offers the most choice for beneficiaries, but also the most out-of-pocket expenses. A patient may choose their provider as long as he or she is “TRICARE Authorized”. This means the provider’s information, including licensure, is current and on file with TRICARE. Patients may also have to submit claim forms for services received.