



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
1500 DEFENSE PENTAGON
WASHINGTON, DC 20301-1500

07 NOV 2001

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY FOR MANPOWER
AND RESERVE AFFAIRS
ASSISTANT SECRETARY OF THE NAVY FOR MANPOWER
AND RESERVE AFFAIRS
ASSISTANT SECRETARY OF THE AIR FORCE FOR
MANPOWER AND RESERVE AFFAIRS
DIRECTOR OF RESERVE AND TRAINING, USCG

SUBJECT: TRICARE Reserve Family Demonstration Project

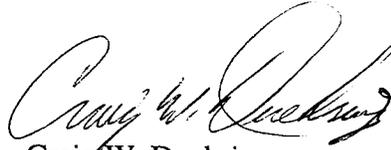
In the attached memorandum, the Acting Assistant Secretary of Defense for Health Affairs announced a TRICARE benefits demonstration project for Reserve component members called or ordered to active duty or full-time National Guard duty in response to the terrorist attacks of September 11, 2001, and their eligible family members. Provided that the member is serving in support of the contingency operation associated with Executive Order 13223 of September 14, 2001, the demonstration project includes Reservists ordered to active duty under 10 U.S.C. 12302 (involuntary) or 10 U.S.C. 12301(d) (voluntary), and National Guard members called to full-time National Guard duty under 32 U.S.C. 502(f). In addition to the medical and dental benefits available under the TRICARE program, the demonstration project provides three important enhanced medical benefits: (1) waiver of the TRICARE deductible; (2) waiver of the requirement for the issuance of non-availability statements; and (3) authority to pay above the TRICARE allowable rates for care provided by non-participating providers.

It is important that our Guard and Reserve members and their families know about their health care benefits, particularly the enhanced benefits available under this demonstration project, and how to access those benefits. The key to gaining access to TRICARE benefits, including the enhanced benefits, is timely, complete and accurate information in the Defense Enrollment Eligibility Reporting System (DEERS), which is the database used to determine TRICARE eligibility.

I am asking you to help get the word out about TRICARE and the additional benefits that are available under the demonstration project. Also, to ensure that the health care system can identify those Reservists and family members who are eligible for the enhanced benefits under the demonstration project, it is extremely important that the member's orders cite the statutory authority under which he or she is being called to active duty or full-time National Guard duty, and that the orders specify the operation the member is supporting—NOBLE EAGLE or ENDURING FREEDOM. Finally, I am asking you to ensure that each Guard and Reserve member who is called to active duty/full-time National Guard duty verifies the information contained in DEERS, and that the mobilization processing sites properly code these members as being mobilized for OPERATION NOBLE EAGLE or ENDURING FREEDOM.



The October 22nd memorandum from the Acting Assistant Secretary of Defense for Health Affairs on TRICARE benefits for mobilized Reservists and their families is available on our web site at <http://www.defenselink.mil/ra/> under the "Mobilization Information and Resource Guide." We will update the web site as more information about the demonstration project becomes available. If you have any questions regarding TRICARE benefits or the demonstration project, please contact Colonel Kate Woody at (703) 693-2203. If you have questions about DEERS enrollment, please contact Ms. Virginia Hyland at (703) 693-2238.



Craig W. Duehring
Principal Deputy

Attachments:
As stated

cc:
Director, Army National Guard
Chief, Army Reserve
Director, Naval Reserve
Assistant Deputy Commandant,
Manpower and Reserve Affairs
Director, Air National Guard
Chief, Air Force Reserve
Director, Reserve and Training, USCG



THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-1200

OCT 22 2001

HEALTH AFFAIRS

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (MANPOWER &
RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE NAVY (MANPOWER &
RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE AIR FORCE (MANPOWER &
RESERVE AFFAIRS)

SUBJECT: TRICARE Benefits for Activated Reservists and their Family Members

The activation of members and units of the Reserve Components, in response to the terrorist attack of September 11, 2001, increases the need to educate activated reservists and their family members on their TRICARE medical and dental benefits. This memorandum reiterates existing DoD policy and establishes new policy for the current reserve activation. These policies apply to Reserve Component and National Guard members ordered to duty in support of operations that result from the terrorist attacks of September 11, 2001. This includes such duty under Executive Order 13223, 10 U.S.C.12302, 10 U.S.C. 12301(d), or 32 U.S.C. 502(f). Such operations include for example, ENDURING FREEDOM and NOBLE EAGLE.

Medical Benefits

Activated Reservists. The activated reservists are considered Prime enrollees upon activation with equivalent priorities for care as all other active duty service members. In most cases, activated reservists will receive their care from military medical personnel. MTF commanders should work with their regional TRICARE contractors, where appropriate, to properly enroll activated reservists in TRICARE Prime.

Reservist Family Members. If the military sponsor is called to active duty for a period of more than 30 consecutive days, spouses and eligible children of reservists become eligible for TRICARE Extra and Standard on the first day of the military sponsor's active duty.

If the military sponsor is called to active duty for 179 days or more, family members may enroll in TRICARE Prime, effective on the first day of the military sponsor's active duty.

TRICARE Prime is the most comprehensive and least costly benefit for active duty families, as there are no enrollment fees or copays in the TRICARE Prime network. Nonetheless, some reserve families may want to continue their relationships with providers who are not in the TRICARE Prime network. In these cases, enrolling in TRICARE Prime may not be the best choice—and beneficiaries may understandably elect to remain in TRICARE Standard. As outlined below, we are taking steps to reduce the financial burden on families and support continuity of care.

Family members must ensure their information in the Defense Enrollment Eligibility Reporting System (DEERS) is correct, and should contact the nearest TRICARE Service Center (TSC) for information on enrollment and available benefits. The locations of TSCs, along with comprehensive information on TRICARE benefits, are available on our web site at www.tricare.osd.mil.

Enhanced Medical Benefits

Consistent with existing demonstration authority granted by the Secretary of Defense, additional TRICARE policies will be implemented.

Waiver of TRICARE Deductible. Since reservist families may have already contributed to annual deductibles under private insurance coverage, application of TRICARE annual deductibles would be unfair. (TRICARE Prime does not include deductibles, so this will affect only those families who do not enroll in TRICARE Prime.) These beneficiaries will only be responsible for their cost shares (20 percent for outpatient care under TRICARE Standard; 15 percent for TRICARE Extra) with an annual catastrophic limit of \$1,000 on out-of-pocket expenses. The benefit will be retroactive to the first date that the member was activated under the above references, and is expected to be operational by November 15, 2001.

Issuance of Nonavailability Statements. Normally, TRICARE Standard beneficiaries who live in a military treatment facility (MTF) catchment area must use the MTF for inpatient care, or obtain a Non-Availability Statement (NAS) in order for TRICARE to share in the cost of a civilian hospital stay. Family members of reservists activated under the above references will not be required to obtain an NAS. TRICARE claims will reimburse providers without the NAS.

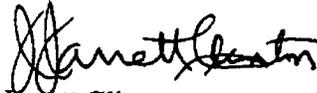
Authority to Pay Above TRICARE Allowable Rates for Care Provided by Non-Participating Providers. In many cases, reservist families live far from active military treatment facilities, and are not supported by TRICARE provider networks. Some doctors do not participate in TRICARE, and by law may bill beneficiaries for up to 15 percent above TRICARE allowable amounts. Family members of reservists could face undue financial hardships if they use such providers. Accordingly, the Secretary of Defense has authorized a demonstration project (under 10 U.S.C. 1092) for the Department to pay up to 115% of the TRICARE allowable charge for family members of activated reservists who are covered by TRICARE Standard and treated by a non-participating provider. The demonstration will test the ability to maintain continuity of care for these beneficiaries and the financial impact of this approach. Eligible beneficiaries will still be responsible for their 20 percent cost share. TMA will notify the TRICARE contractors of this change. The increased payment amounts will go into effect on November 15, 2001, and be retroactive for any care received by family members of reservists called up under the above references. In order to achieve retroactivity, the demonstration notice will include a waiver of the normally applicable 30-day notice period for a demonstration.

Dental Benefits

Activated Reservists. Reservists who are ordered to active duty for a period of more than 30 consecutive days are not eligible for coverage under the TRICARE Dental Program. All dental care for activated reservists will be provided directly by Military Dental Treatment Facilities (DTFs).

Reservist Family Members. Family members of activated reservists are eligible for enrollment and coverage under the TRICARE Dental Program on the same basis as family members of active duty service members. Activated reservists must take action to enroll family members. United Concordia Companies, Inc. (UCCI), administers the TRICARE Dental Program, and reservists and their family members may contact UCCI at 1-888-622-2256 or through their web site at www.ucci.com/tdp/tdp.html. On-line enrollment is available if desired. Following enrollment, TRICARE Dental Program identification cards and benefit booklets shall be provided to all family members.

Timely, accurate information is essential to reservists and their families at this time. The TRICARE Management Activity will oversee implementation and oversight of these new policies. Additional information and frequently asked questions will be posted to the TRICARE web site and will be available through regional toll-free telephone support.



J. Jarrett Clinton, MD, MPH
Acting Assistant Secretary

cc:
Surgeons General
Lead Agents