

# The Future of Military Health: How to Make the Most of the TRICARE Changes

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**The Military Health System**  
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AAFMAA

**Our Mission:** to be the premier provider of Financial Solutions to the American Armed Forces community.





# AAFMAA

Focusing exclusively on the needs of the military family, we work to provide innovative, personalized, and lifestyle appropriate financial solutions.





# American Armed Forces Mutual Aid Association

- Proudly serving America's Armed Forces since 1879!
- Non-profit, Member Owned Mutual Aid Association
- Open to all branches of the U.S. Armed Forces
- Life Insurance, Financial Planning, Investment Management and Trust Services
- **Nearly 90,000 members**



# Mission Check ...



What have we done for you **today?**

# The Military Health System (MHS)



Mr. Tom McCaffery,  
Acting Assistant Secretary of  
Defense for Health Affairs



Vice Admiral Raquel C. Bono,  
Director Defense Health Agency

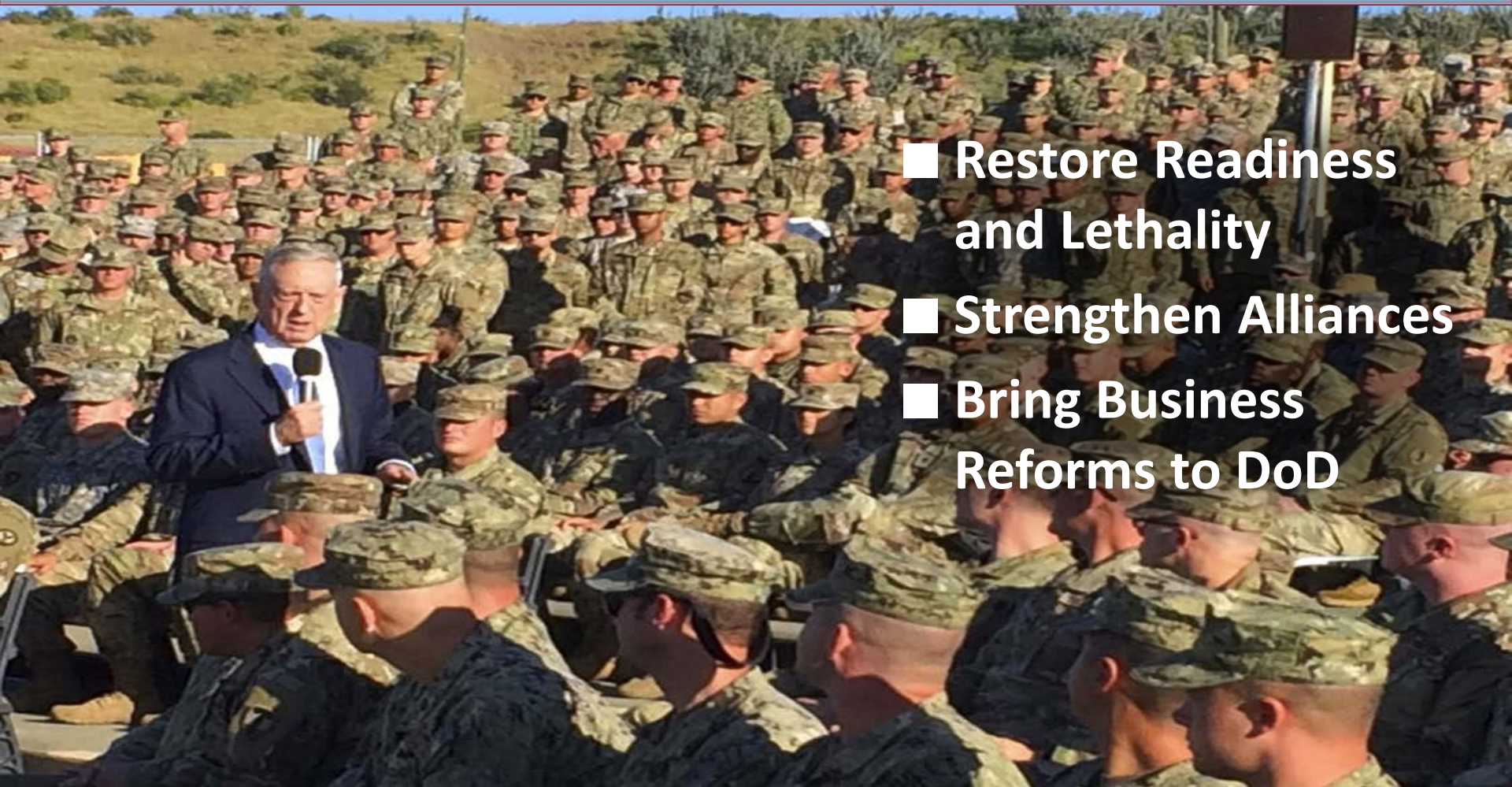


The MHS is an integrated, world-wide system of care that ensures the health and readiness of America's service members to go anywhere, at anytime.

It delivers and coordinates care for 9.4 million Americans – which include service member families, as well as military retirees and their families, by operating 54 hospitals and 377 clinics and managing a global health benefit through the TRICARE program.



# Secretary Mattis' Priorities



- Restore Readiness and Lethality
- Strengthen Alliances
- Bring Business Reforms to DoD

# Business Reform Opportunity in the Department of Defense



Defense Agencies and Field Activities, otherwise known as the Fourth Estate



A grid of 47 Defense Agency logos is displayed. The logo for the Defense Health Agency (DHA) is circled in red, and an arrow points from it to the text "~35% of Fourth Estate Budget".

 AAFFS Army Air Force Exchange Service www.aafts.com	 DARPA Defense Advanced Research Projects Agency www.darpa.mil	 DAU Defense Acquisition University www.dau.mil	 DCAA Defense Contract Audit Agency www.dcaa.mil	 DIB (D) Department of Defense www.dod.mil	 DIP (D) Department of Defense www.dod.mil	 DMS (D) Department of Defense www.dod.mil	 DTRA Defense Threat Reduction Agency www.dtra.mil	
 DCA Defense Contract Management Agency www.dcm.mil	 DCCA Defense Commissary Agency www.commissary.dod.mil	 DFAS Defense Finance and Accounting Service www.dfas.mil	 DHA Defense Health Agency www.hhs.mil	<b>~35% of Fourth Estate Budget</b>				
 DHSR Defense Human Resources Agency www.dhsr.mil	 DIA Defense Intelligence Agency www.dia.mil	 DISA Defense Information Systems Agency www.disa.mil	 DLA Defense Logistics Agency www.dla.mil	 DOI (D) Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 NSA National Security Agency www.nsa.gov	
 DIA (D) Department of Defense www.dod.mil	 DMMA Defense Media Management Agency www.dmma.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	
 DHS Department of Homeland Security www.dhs.gov	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil	 DOD Department of Defense www.dod.mil



# Business Reform Opportunity in the Military Health System



## Current State:

Three independently health systems managed by the Army, Navy and Air Force, which:

Paralyzes rapid decision-making

Stifles innovation in producing a modern health care system

Limits Growth Potential

## Future State:

A streamlined Military Health System and DHA management structure that:

Eliminates Redundancy

Generates Efficiency

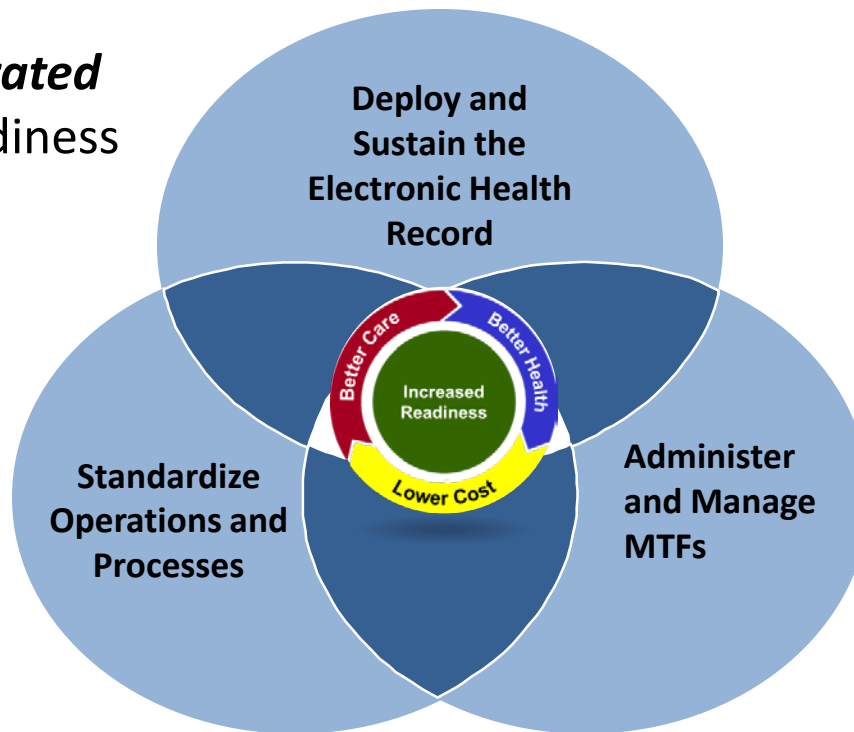
Yields Monetary Savings

Improves beneficiary care experience

# Defense Health Agency Goals and Priorities



Build an *Integrated* System of Readiness and Health...



...to enhance *lethality* and *affordability* for the Department

**TRICARE remains one of the most comprehensive health benefits available in this country at a benefit that is commensurate with the sacrifice of those who it serves.**

[TRICARE.mil](https://TRICARE.mil)



# TRICARE Compared to Largest Plans by Membership\*



Rank	Company/Plan	Members in Millions
1	UnitedHealthcare Group	70.0
2	Anthem	39.4
3	Aetna	23.0
4	Health Care Services Corp	15.0
5	Cigna	14.7
6	Humana	14.2
7	Centene Corp	11.0
8	Kaiser Permanente	10.7
9	TRICARE**	9.4
10	VA***	~ 9.0
11	Highmark	5.3
12	WellCare Health Plans	3.7

\* Fahad Saleem, Insider Monkey, 10 Largest Health Insurance Companies by Membership (May 10, 2017), available at <https://www.insidermonkey.com/blog/10-largest-health-insurance-companies-by-membership-579652/>.

\*\* Director, Defense Health Agency (DHA) Memo dated Nov. 3, 2016, "Estimate of Beneficiaries Eligible for Health Care in Fiscal Year 2017"

\*\*\* Available at <https://www.va.gov/health/>

# Improvements to your health plan



## TRICARE Network will reach more military families

- Networks must cover 85% + of beneficiary population
- TRICARE reached about 68% in 2017



## Expanding Telehealth



## Expanded Mental Health

## Preventive care



## Standardized appointment processes across the system

## Enhancements for special groups



- Special Needs for Families
- Autism Services

# TRICARE Changes January 2018

## *Review*



- **Enrollment requirements**
  - Must be enrolled to use TRICARE plan
- **TRICARE Select (PPO) replaced TRICARE Standard and Extra**
- **Three TRICARE Contracts transition to two**
- **New Cost Tiers**
  - Group A – sponsor joined military before 1/1/18
  - Group B – sponsor joined military 1/1/18 or after
- **Cost Changes**
  - TRICARE Select
  - Pharmacy
  - TRICARE Prime

# TRICARE Changes Coming in 2019:

## *Two Open Seasons*



### ■ TRICARE Open season ([Tricare.mil/openseason](https://www.tricare.mil/openseason))

- If you like your plan, you don't need to do anything
- Starting in 2019 you'll need to use open season to change plans (Prime and Select) or change plans after qualifying life event
  - Annual enrollment is 2<sup>nd</sup> week of NOV to 2<sup>nd</sup> week in DEC (12 NOV to 10 DEC in 2018)

### ■ FEDVIP Open Season ([Tricare.benefeds.com](https://www.tricare.benefeds.com))

- Most TRICARE enrollees will have access to dental and/or vision plans through the Federal Employee Dental and Vision Insurance Plan (FEDVIP)
- Must take action during 2018 open season to get coverage in 2019
  - Annual enrollment is 2<sup>nd</sup> week of NOV to 2<sup>nd</sup> week in DEC (12 NOV to 10 DEC in 2018)

# TRICARE Qualifying Life Events



- Enrollment changes can be made outside of the annual open enrollment period if certain life events occur:
  - Marriage, divorce, or annulment
  - Birth or adoption of a child
  - **Change in sponsor status** that results in ineligibility to continue existing TRICARE coverage
  - **Loss of sponsor or family member eligibility** (e.g., age, Medicare, etc.)
  - **Gain or loss of Command Sponsorship** (Overseas only)
  - **Relocation** to a new country, region, or zip code (date received or date specified by the beneficiary in the future)
  - Loss or gain of other health insurance (OHI)
  - Death of a sponsor, spouse, or child
  - Change in eligibility status of any single family member in another family (e.g., joint service member)



# Retiree Dental Coverage



## TRICARE Retiree Dental Program (TRDP) transition to Federal Dental and Vision Insurance Program (FEDVIP) in 2019

- TRDP enrollees **must** enroll in a FEDVIP dental program to retain coverage
- Sign up at [www.TRICARE.benefeds.com](http://www.TRICARE.benefeds.com) during open season (12 NOV to 10 DEC in 2018)
- Begin reviewing options at [www.tricare.benefeds.com/more/plans](http://www.tricare.benefeds.com/more/plans)



### FEDVIP Dental Plan Features (10 plans)

- No waiting period for dental services, except orthodontia
- No annual maximum benefit for some dental plans
- Some plans have no waiting period for orthodontic services

# Vision Coverage



## New vision coverage available through FEDVIP in 2019 for most beneficiaries

- **Must** sign up at [www.tricare.benefeds.com](http://www.tricare.benefeds.com) during open season (12 NOV to 10 DEC in 2018)
- Begin reviewing options at [www.tricare.benefeds.com/more/plans](http://www.tricare.benefeds.com/more/plans)



### Vision Plan Features (4 plans)

- No copays for some vision plans, except for lens options
- An allowance for frames and no limit on brand for frames or contacts, for most vision plans
- Discounts on LASIK offered

# Check the Mail



- 3M post cards being mailed to retirees eligible for the TRICARE Retiree Dental Program
- 1.1M post cards being mailed to Active Duty & TRICARE Reserve Select enrollees



# Key TRICARE Take-Aways:

## *Guidance to Families – Spread the word!*



- **First TRICARE Open Season 12 NOV-10 DEC in 2018**
  - No action needed year-to-year if you like your plan
  - Can only change TRICARE plans during TRICARE open season or after QLE
  - Go to [www.TRICARE.mil/openseason](http://www.TRICARE.mil/openseason) for more information
- **TRICARE Retiree Dental Program (TRDP) transition to FEDVIP in 2019**
  - TRDP enrollees need to enroll in a FEDVIP dental program to retain coverage
  - Sign up at [www.TRICARE.benefeds.com](http://www.TRICARE.benefeds.com) during OPM open season (12 Nov-10 Dec in 2018)
- **New vision coverage available through FEDVIP in 2019 for most beneficiaries**
  - Sign up at [www.TRICARE.benefeds.com](http://www.TRICARE.benefeds.com) during OPM open season (12 Nov-10 Dec in 2018)
- **New Requirements when Retiring**
  - Pre-enroll into TRICARE before your retire to prevent lapse in coverage
  - Eligible for reinstatement to TRICARE up to 90-days after retirement

# We need your help ... to Take Command



- Sign up for TRICARE updates at: [www.TRICARE.mil/changes](http://www.TRICARE.mil/changes)
- Spread the word!



# No Change to TRICARE For Life



- TRICARE For Life (Medicare wrap-around coverage)
  - Must take Part B on Medicare
  - Part B is based on income (\$134 / \$187.50 / \$267.90 / \$348.30 / \$428.60)
  - Medicare is first payer (80%)
  - TRICARE is second payer (20%)

# Follow Us & Join the Conversation



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*Follow Vice Adm. Raquel Bono, Defense Health Agency Director*

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Thank you

