



# TRICARE HELP E-MAIL SERVICE (THEMS)

## NEWSLETTER

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“Helping to Understand”



### TRICARE Help Newsletter

This newsletter is a publication of the TRICARE Help E-mail Service, operated by the US Army Medical Command in San Antonio, Texas.

### THEMS

#### What is THEMS?

THEMS is a free e-mail service that provides quick answers to TRICARE questions. Clinical issues should be referred to your primary care provider. The e-mail address is: TRICARE\_help@amedd.army.mil.



Click here to send your TRICARE questions, concerns, or comments.

#### Do I Need a Supplement?

The National Defense Authorization Act of 2001 reduced the Fiscal Year Catastrophic Cap for retirees and their families from \$7,500 to \$3,000. The cap for active duty sponsors

and their families remains at \$1,000. What this means is that once the accumulated deductibles and cost shares reach the catastrophic cap in a fiscal year, TRICARE will pay the full-allowed amount for covered services through the end of that fiscal year. The only thing the family will pay through the rest of the fiscal year will be the 15% surcharge associated with services by a non-participating provider and expenses associated with use of the Point of Service option by Prime enrollees. This change has caused many retirees to reconsider the need for a TRICARE supplement.

If a retiree and spouse purchase a supplement with a premium of \$25 per person per month and a \$300 deductible, each beneficiary must pay at least \$450 before the supplement will start to pay. This does not include the annual \$300 premium.

TRICARE Deductible	\$150
Supplement Deductible	<u>\$300</u>
Sub-total	\$450
Plus:	
Premium (\$25 x 12)	<u>\$300</u>
Total:	\$750

If a reasonably healthy TRICARE Standard retiree and spouse each visits a participating physician four times a year at \$100 per visit, and each visit is associated with \$150 in lab fees and two brand name prescriptions from a network pharmacy, here is the cost per year.

Office Visits (4 x \$100) \$400  
(\$100 deductible, \$225 TRICARE cost share, and \$75 patient cost share)

Lab Work (4 x \$150) \$600  
(\$50 deductible, \$412.50 TRICARE cost share, and \$137.50 patient cost share)

Prescriptions (8 x \$9) \$ 72  
(co-pay paid by patient)

Total Patient Payments \$434.50  
(\$100 + \$75 + \$50 + \$137.50 + \$72)

Using the above example of four visits per patient, a reasonably healthy couple with a supplement would pay \$1,500 (\$750 X 2) each year. The same couple using TRICARE Standard with no supplement would pay \$869 (\$434.50 X 2) each year.

Even if the sponsor or spouse has major surgery due to accident or illness, the Catastrophic Cap will limit liability in any fiscal

year to \$3,000. Remember: to enjoy the full protection afforded by the cap, the patient should use providers who accept TRICARE.

(<http://www.tricare.osd.mil/BCACDirectory.htm>) at the nearest military hospital.

There are several exceptions that should be noted: Pharmacies cannot access information concerning catastrophic caps. The patient will probably have to pay the normal \$9 co-payment (brand name) and file a claim for reimbursement. Additionally, the 15% surcharge associated with the use of a non-network provider is not subject to the catastrophic cap. It is, however, normally reimbursed by most TRICARE supplements.

TRICARE Supplemental Insurance policies (<http://www.tricare.osd.mil/supplementalinsurance/plans.cfm>) are underwritten and administered by private companies. The comments above are just an example of some of the issues to consider. Anyone considering the purchase of a supplement should evaluate the details of the particular product against any personal preferences or unique circumstances. If you wish to discuss specific aspects of your needs for health care coverage, you should contact a Beneficiary Counseling and Assistance Coordinator