THE ASSISTANT SECRETARY OF DEFENSE

1200 DEFENSE PENTAGON
WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

DEC 18 2012

MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE (RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE NAVY (MANPOWER AND RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE AIR FORCE (MANPOWER AND RESERVE AFFAIRS)
COMMANDER, JOINT TASK FORCE, NATIONAL CAPITOL REGION MEDICAL
HEALTH AND SAFETY DIRECTOR OF THE COAST GUARD
CHIEF OF THE NATIONAL GUARD BUREAU

SUBJECT: Alert – Requirement for TRICARE Reserve Select and TRICARE Retired Reserve Members to Establish Automatic Premium Payments

TRICARE Reserve Select (TRS) or TRICARE Retired Reserve (TRR) members who fail to establish an automated method of payment risk losing their coverage. After January 1, 2013, TRICARE will only accept TRS and TRR premium payments by recurring credit/debit card or electronic funds transfer. To avoid losing coverage, TRS or TRR members who have been receiving monthly premium bills and paying by check must switch to an electronic form of payment effective no later than January 1, 2013. If TRS or TRR members have their coverage suspended, they may contact their TRICARE contractor for more information.

To date, 32,691 TRS and TRR members still need to initiate/complete this critical action (Attachment A). TRICARE and the Reserve Components have implemented multiple strategies to notify members (Attachments B and C). If members have not done so already, they must contact their TRICARE regional/overseas contractor immediately to establish automatic payments. Contact information can be found at www.tricare.mil/contacts. I request your assistance in assuring this information is disseminated to all commands as soon as possible.

Please provide widest dissemination. Members should contact their TRICARE regional/overseas contractor for information and assistance regarding this critical action.

Jonathan Woodson, M.D.

Attachments:
As stated

cc:
Surgeon General of the Army
Surgeon General of the Navy
Surgeon General of the Air Force

Table 1 - TRICARE Reserve Select Active Plans

Reserve Component	TRS Plans
Army Guard/Reserve	56,572
Coast Guard Reserve	1,620
Air Force Guard/Reserve	21,042
Marine Corps Reserve	3,569
Navy Reserve	10,297
Total	**93,100**

Data source: DMDC as of November 2012

Table 2 - TRICARE Reserve Select Plans Remaining to Convert to Automatic Payments

Reserve Component	North	South	West	Overseas	Total
Army Guard/Reserve	5,768	6,726	8,260	124	20,878
Coast Guard Reserve	129	163	123	1	416
Air Force Guard/Reserve	1,796	1,924	2,637	46	6,403
Marine Corps Reserve	428	364	450	0	1,242
Navy Reserve	919	1,060	1,320	9	3,308
Total	**9,040**	**10,237**	**12,790**	**180**	**32,247**

Data source: TRICARE managed care support contractors and the overseas contractor

Table 3 - TRICARE Retired Reserve Active Plans

Reserve Component	TRR Plans
Army Guard/Reserve	527
Coast Guard Reserve	17
Air Force Guard/Reserve	348
Marine Corps Reserve	67
Navy Reserve	213
Total	**1,172**

Data source: DMDC as of November 2012

Table 4 - TRICARE Retired Reserve Plans Remaining to Convert to Automatic Payments

Reserve Component	North	South	West	Overseas	Total
Army Guard/Reserve	59	51	91	1	202
Coast Guard Reserve	4	3	2	0	9
Air Force Guard/Reserve	38	34	57	0	129
Marine Corps Reserve	10	6	13	0	29
Navy Reserve	14	17	44	0	75
Total	**125**	**111**	**207**	**1**	**444**

Data source: TRICARE managed care support contractors and the overseas contractor

Information Paper
Automatic Monthly Payment Requirement for
TRICARE Reserve Select and TRICARE Retired Reserve

Effective January 1, 2013, all TRICARE Reserve Select (TRS) and TRICARE Retired Reserve (TRR) members will be required to pay monthly premiums electronically by means of an Electronic Funds Transfer (EFT) or recurring debit/credit card. The following describes efforts taken by all interested activities beginning late summer to present, ensuring TRS and TRR members and all Reserve Component (RC) members receive this information.

I. RESERVE COMPONENTS AND MILITARY DEPARTMENTS

A. Army National Guard/Army Reserve

- Colonel (COL) Gary McKay, Deputy Director/Sr. Army National Guard (ARNG) Advisor, Reserve Affairs (RA), Headquarters Army Medical Command, forwarded the announcement bulletin from the Business Education and Support Directorate, TRICARE Management Activity (TMA), directed towards the Beneficiary Counseling and Assistance Coordinator (BCAC) community and all TRICARE Regional Office (TRO) Customer Service branches regarding the TRS/TRR automated payment requirement to their Surgeon's Office and disseminated it through all Deputy State Surgeons (DSSs), the ARNG Personnel Division (HRP), and Guard Knowledge Online (etc.) and requested they send to the ARNG TRS population.

- COL Jill K. Faris, Deputy Surgeon, Office of the Chief Surgeon, (ARNG) asked her TRICARE staff in HRP to take the lead to get the word out, as well as the National Guard Bureau personnel office. COL Faris also provided relevant information to HRP leadership. Information was sent to all DSSs and State Surgeon communities during her weekly "Deputy Sends." These actions led to dissemination down to unit levels for awareness purposes.

- COL Joy Ream, Deputy Director, RA, MEDCOM, sent out the bulletin and requested that all offices disseminate the information and bulletin through their Commands to all Units. COL Ream confirmed that she engaged Office of the Chief of the Army Reserve and all the Command channels. She requested they disseminate, publish, post, etc. the information.

- The TRICARE Division at Army MEDCOM contacted Mr. Jamie Cavazos, Directorate of Communications (DCOMM), MEDCOM, and he sent out the TRR and TRS bulletin/information using all DCOMM channels and social media (Facebook/Twitter). Mr. Cavazos also published an article on the Army Medical Department Web site.

B. Navy/Marine Corps Reserve

- Getting word out to "gray-area retirees" with assistance of RA. www.navytimes.com/news/2012/10/military-tricare-reserve-retired-premium-payments-101012w/

- Mr. Dan Hopwood sent an e-mail with attachments regarding the automatic premium payment requirement to all Regional Commanders, Navy Personnel (N1), with direction to pass to all reserve personnel.

- Mr. Hopwood placed message in the October 2012 Monthly N1 Newsletter, which is disseminated to the Navy Reserve Force.

- Message pushed to the Navy's Public Affairs Officer for inclusion in the monthly magazine "The Navy Reserve."

- Commander (CDR) Lynne Blankenbeker, Office of the Chief, Navy Reserves, had TMA prepare a single PowerPoint slide (Attachment C) for use by the Chief, Navy Reserves, in reinforcing the need for action by TRS members down the Navy Reserve chain of command in advance of the December drill weekends.

C. Coast Guard Reserve

- All Coast Guard Reserve Web sites maintained active links associated with both the TRR and TRS programs.

- Message sent to Senior Reserve Officers and Reserve Senior Enlisted Advisors ("Gold Badge Network") that triggered notification within the Coast Guard chains of command.

- Updated Coast Guard reserve magazine, "The Reservist."

- Requested message inserted in reservists' December Leave and Earnings Statement.

D. Air National Guard/Air Force Reserve

- Used social media to help communicate the TRS/TRR change
  www.facebook.com/#!/CitizenAirman
  www.facebook.com/#!/usairforcereserve

- Sent out to all Force Support Squadron Superintendents and Commanders for dissemination across their units.

- Air Force Reserve Command (AFRC) Strategic Communications engaged with distributing TRS/TRR changes to the unit leadership as well as the Individual Mobilization Augmentees.

- AFRC Commanders' Action Group requested an AFRC Commander Greeting be sent to all Airmen.

- AFRC/Chief, Force Integration, created and transmitted a Notice to Airmen advising Airmen of the TRS/TRR change.

- AFRC Public Affairs published an article for the next issue of the "Citizen Airman," which will go to print in mid-December.

- An article was posted on www.af.mil, October 2, 2012, "Electronic payments required for TRICARE reserve premiums."
  www.af.mil/news/story.asp?id=123320656

II. Defense Manpower Data Center

The Defense Manpower Data Center sent e-mails the first week of September 2012 and again in November to all current TRS and TRR members containing the following text:

> Your monthly premium payments must be made by either recurring Electronic Funds Transfer (EFT) or recurring Debit/Credit Card (Visa/MasterCard only) beginning absolutely no later than January 1, 2013. Contact your TRICARE regional contractor IMMEDIATELY to set up your automatic monthly premium payments, if you have not done so already.
>
> DO NOT DELAY. If you fail to establish one of these automated payment methods, you and or your family's coverage will be terminated. Contact information for your TRICARE regional contractor can be found at www.tricare.mil/contacts.

III. TRICARE Management Activity

TRICARE contractors have taken the lead in getting the word out, supported by TMA.

A. TMA (Defense Health Headquarters)

- TRS and TRR Web pages updated August 31, 2012
  www.tricare.mil/mybenefit/home/Costs/HealthPlanCosts/TRICAREReserveSelect
  www.tricare.mil/mybenefit/home/Costs/HealthPlanCosts/TRICARERetiredReserve

- Frequently Asked Questions updated on TRICARE Web site
  www.tricare.mil/faqs/question.aspx?ID=1760&page=0&search="TRICAREReserveSelect"&click=ibGo.X

- TRICARE News Releases and Featured Stories
  - *"Electronic Payments Required for TRICARE Reserve Select and Retired Reserve Monthly Premiums"* (October 10, 2012, no. 12-9), www.tricare.mil/mediacenter/news.aspx?fid=751
  - Final news release in coordination to be distributed before Christmas.

- Webinar hosted by TRICARE and Military OneSource December 13, 2012
  www.tricare.mil/mediacenter/press_article.aspx?fid=626

- TRICARE Social Media Messages October 12-30, 2012
  http://www.facebook.com/TRICARE
  https://twitter.com/tricare

- Guard and Reserve Briefings updated August 12, 2012
  www.tricare.mil/briefings/

- TRICARE Announcement Bulletin sent out to customer service community (over 700 recipients) including military clinics and hospitals, Guard/Reserve family support, Service personnel specialists, TMA regional/overseas offices, Service Surgeons General offices, and contractor customer service liaisons (August 10, 2012, October 15, 2012, and November 30, 2012). The bulletin text was as follows:

  > **TRS/TRR premium payment heads up.** Starting January 1, 2013, TRS/TRR premium payments will be accepted ONLY by automatic, recurring monthly payments through an electronic funds transfer (EFT) or credit/debit card. We suggest you tell new or existing TRS/TRR members who currently receive monthly bills for payment that they should contact their servicing TRICARE contractor now about changing to automatic, recurring monthly payments. This way they can make sure the electronic payment process is working properly before the deadline hits.

- TRICARE Fundamentals Course updated October 1, 2012. This publicly posted course is designed to train those whose role is to help educate beneficiaries on TRICARE benefits, to include TRS/TRR content. TRICARE Beneficiary Bulletin/podcasts posted (Bulletin 186, October 12, 2012 and Bulletin 192, December 6, 2012) www.tricare.mil/mediacenter/podcast.aspx .

- Partnership Meeting, which is attended by members of at least a dozen military and veteran support organizations such as Military Officers Association of America, National Military Family Association, and the American Legion, was conducted October 4, 2012.

- Reserve Medical Integrators (senior medical leaders representing each of the seven RCs).

  - November 16, 2012, meeting - Dr. Jody Donehoo explained need for a final push for automatic payment conversion and all members were acutely attentive.

  - November 27, 2012 - COL Christopher Priest (Health Affairs) distributed a single PowerPoint slide describing the need for immediate action by TRS members to Reserve Medical Integrators prepared by Dr. Donehoo at request of the representative from the Office of the Chief, Navy Reserves (Attachment C).

B. TRICARE South

- Humana Military Health Services (HMHS) placed a message on all billing notices mailed from August 2012 through January 2013. Notices included HMHS forms as well as a link to their Web site to set it up online.

- Notices sent to those with e-mail addresses on file as well.
- Interactive voice response call out began in October and will continue through January.
- Members who send checks will be provided an explanation of the requirement to set up electronic payments as well as the forms to do it.

C. TRICARE North

- HealthNet Federal Services (HNFS) placed a message regarding the January 1, 2013, change to automated payments on their site. https://www.hnfs.com/content/hnfs/home/tn/bene/enroll/fees/pmnt_change.html
- Message on billing statements from October through December.
- HNFS letter mailed between October and December to those TRS/TRR members who did not have an e-mail address on file.
- In July, added language to www.hnfs.com "Make a Payment" and "Change Your Payment Method" pages. Added this information to the news and updates section of the home page.
- Information was included in a multi-topic e-mail on October 15, 2012, to beneficiaries.
- Outbound phone calls were made to all TRS/TRR members currently not on auto-pay.
- Posters were hung in the TRICARE Service Center (TSC) in October, and customer service representatives have been providing in-person information and assistance TSCs onsite in or near all military treatment facilities.
- Detailed results were compiled for a sample of cold calls placed during the last week of November to 50 TRS members whose accounts are routinely overdue; response rate was 36 percent (n = 18 beneficiaries reached). These 50 members were selected since their accounts remain chronically behind. They routinely pay only an overdue amount just shy of one month late which averts suspension of coverage. They would be paying 2 months of payments within a few days given their payment history. They would have paid the December overdue amount on or just before December 31, 2012, and an automatic payment for January coverage would process on January 2, 2013. Results are as follows (n = 18):
    - nine did not pay overdue amount and risk suspension of coverage,
    - three could not pay at time of call, but expect to pay later,
    - three paid overdue amount, but did not set up automatic payment,
    - two paid overdue amount, and set up automatic payment (desired result of cold call), and
    - one aging out in December (disenrollment intended)

D. TRICARE West

- Online at www.TriWest.com
  - News Item on Homepage and throughout Beneficiary portal
  - On National Guard Resource (NGR) Center (TriWest.com/NGR)
  - On related enrollment and benefit information pages
  - *TRICARE 2 You* monthly eNewsletter
  - In-person briefings updated when 2013 premium rates were released in September 2012
  - Monthly billing statements
- TRS members
  - Reminders in three mailed bills (October, November, and December)
  - Paperless or auto payers got three e-mail reminders
  - Unsuccessful e-mail addresses got a mailed letter
- TRR members
  - Mailed reminder in December
  - Paperless or auto payers got one e-mail reminder
  - Unsuccessful e-mail addresses got a mailed letter
- TMA-produced collateral mailed with the handbook, used in briefings and at TSCs (News Release, TRICARE.mil updates)
- TriWest TRS rack card
  - Updated and reprinted after 2013 rates were released in September 2012
  - Used in briefings at TSCs and mailed with the handbook
  - Used for internal training to answer beneficiary questions

E. TRICARE Overseas

- International SOS (ISOS) included message regarding required automated premium payment on November and December billing statements.
- TMA Overseas staff worked with ISOS to update their Web site.
- ISOS provided a progress report.

TRICARE Reserve Select (TRS) Premium Payments

TRS requires members to pay premiums every month by law

Challenge: **Several thousand coverage suspensions have been continuing every month for members' failure to pay premiums**

Action: **Automatic electronic TRS premium payments only beginning January 1, 2013**

- Contact your TRICARE regional contractor immediately if automatic monthly premium payment is not already established with contractor
  - Recurring Electronic Funds Transfer (EFT) or
  - Recurring debit/credit card (Visa/MasterCard only)
- If TRS coverage gets suspended for non-payment
  - Reinstatement requests (no reason required) honored only within 90 days of effective date of suspension
  - Recent Health Affairs Policy 12-009, September 24, 2012

www.tricare.mil/trs