

TRICARE RESERVE AND NATIONAL GUARD FAMILY MEMBER BENEFITS

ISSUE DATE: June 5, 2009

AUTHORITY: [32 CFR 199.4\(f\)\(2\)\(i\)\(H\)](#), Public Law 108-375, Sections 704 and 705

I. DESCRIPTION

A. The provisions of this section apply to family members who become eligible for TRICARE as a result of their Reserve Component (RC) sponsor (including those with delayed effective date orders up to 90 days) being called or ordered to active duty for more than 30 days in support of a federal/contingency operation and choose to participate in TRICARE Standard or Extra, rather than enroll in TRICARE Prime.

B. These provisions help ensure timely access to health care and maintain clinically appropriate continuity of health care to family members of Reservists and National Guard members activated in support of a federal/contingency operation; limit the out-of-pocket health care expenses for those family members; and remove potential barriers to health care access by Guard and Reserve families.

II. BACKGROUND

A. Section 704 of the National Defense Authorization Act for Fiscal Year 2005 (NDAA FY 2005) (Public Law 108-375) established the authority to waive the annual TRICARE Standard (or Extra) deductible for RC family members who became eligible for TRICARE as a result of their sponsor's activation in support of a contingency operation. By law, the TRICARE Standard deductible for Active Duty Family Members (ADFM) is \$150 per individual, \$300 per family (\$50/\$100 for E-4s and below). Waiving the TRICARE deductible appropriately limits out-of-pocket expenses for these RC family members, many of whom may have already paid annual deductibles under their civilian health plans.

B. Section 705 of the NDAA FY 2005 established the authority to increase TRICARE payments up to 115% of the TRICARE maximum allowable charge, less the applicable patient cost share if not previously waived under the provisions of Section 704, for covered inpatient and outpatient health services received from a provider that does not participate (accept assignment) under TRICARE. This allows this group of RC family members to continue to see civilian providers with whom they have established relations and promotes access and clinically appropriate continuity of care.

C. The provisions outlined above were previously provided to RC family members under the provisions of the Operation Noble Eagle/Operation Enduring Freedom Reservist and National Guard Benefits Demonstration (TRICARE Operations Manual (TOM), [Chapter](#)

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20, Section 4). This demonstration was effective for claims for services provided on or after September 14, 2001, and before November 1, 2009.

III. POLICY

A. This benefit is authorized for family members of RC members who are called or ordered to active duty for a period of more than 30 days, or National Guard members who are called or ordered to full-time federal National Guard duty for a period of more than 30 days in support of a contingency operation (as defined in 10 United States Code (USC) 101(a)(13)).

NOTE: This special benefit does not apply to Prime beneficiaries. Family members of Reservists or members of the National Guard who are called to active duty in support of operations identified in [paragraph III.A.](#) and who are enrolled in Prime will be protected when they receive services outside the network under the provisions of TOM, [Chapter 8, Section 5.](#)

B. Claims are to be paid from financially underwritten funds. On claims for care from non-participating professional providers, contractors shall allow the lesser of the billed charges or the balance billing limit (115% of the allowable charge). If the charges on a claim from a non-participating professional provider are exempt from the balance billing limit, the contractor shall allow the billed charges. This applies to all claims from non-participating professional providers for services rendered to Standard beneficiaries. In double coverage situations, normal double coverage requirements shall apply.

C. In order to protect beneficiaries from incurring greater out-of-pocket costs under these special procedures, the beneficiary cost-share for these claims will be limited to what it would have been in the absence of the higher allowable amount under this benefit. That is, the cost-share is 20% of the lesser of the CHAMPUS maximum Allowable Charge (CMAC) or the billed charge. Any amounts that are allowed over the CMAC will be paid entirely by TRICARE.

D. The TRICARE Encounter Data (TED) record for each Noble Eagle/Enduring Freedom claim must reflect the Special Processing Code "EF".

E. TED records submitted for non-participating professional claims that are reimbursed at the lesser of the balance billing limit or the billed charge are to be identified with Pricing Rate Code "W", but only if the allowed amount is greater than the CMAC. If the billed charge equals or is less than the CMAC, Pricing Rate Code "W" is not to be used. On the other hand, when the claim is reimbursed as billed because the billed charge is greater than the CMAC but less than the balance billing limit, or the charges are exempt from the balance billing limit, Pricing Rate Code "W" is to be used.

F. All Non-Availability Statement (NAS) requirements are waived for beneficiaries identified by Health Care Delivery Program (HCDP) Special Entitlement codes "02" or "03".

G. The TRICARE Standard and Extra deductible is waived for all beneficiaries identified by HCDP Special Entitlement codes "02" or "03".

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H. Claims for services provided prior to the implementation date of this benefit shall be processed as demonstration claims according to the provisions of TOM, [Chapter 20, Section 4](#). Claims for services provided on or after the implementation date of this benefit shall be processed according to the provisions of this section.

I. Claims for services for beneficiaries who were inpatients (occupying an inpatient bed) at 0001 hours on the date of implementation of this benefit shall be processed as demonstration claims per TOM, [Chapter 20, Section 4](#) until discharged from the inpatient facility. All subsequent claims (inpatient and outpatient) shall be processed according to the provisions of this section.

IV. EFFECTIVE DATE August 12, 2008.

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