

## Chapter 10

## Section 4.1

# Continued Health Care Benefit Program (CHCBP)

Issue Date: September 8, 1994

Authority: Section 4408 of P.L. 102-484, [32 CFR 199.20](#)

---

### 1.0 ISSUE

Establishing eligibility for enrollment in the Continued Health Care Benefit Program (CHCBP) for members of the Uniformed Services who are discharged or released from active duty (or full-time National Guard duty), whether voluntarily or involuntarily as long as not under adverse conditions as characterized by the Secretary concerned, and their family members; emancipated children of a member or former member; and certain unremarried former spouses of a member or former member.

### 2.0 BACKGROUND

Implementation of the CHCBP was directed by Congress in section 4408 of the National Defense Authorization Act for Fiscal Year 1993 (NDAA FY 1993), Public Law (PL) 102-484, which amended Title 10, United States Code, by adding Section 1078a. This law directed the implementation of a program of temporary continued health benefits coverage comparable to the health benefits provided for former civilian employees of the Federal government. The CHCBP is a premium based transitional health care coverage program that will be available to qualified beneficiaries. Medical benefits under this program are intended to model the TRICARE Standard Plan, and to provide basic program benefits which TRICARE would provide. The CHCBP is not a part of the TRICARE program; however, it functions under most of the rules and procedures of the TRICARE program.

### 3.0 POLICY

#### 3.1 Eligibility

Enrollment in the CHCBP is open to the following individuals regardless of their place of residence (e.g., overseas or in the United States):

##### 3.1.1 Members of the Uniformed Services who:

**3.1.1.1** Are discharged or released from active duty (or full-time National Guard duty), whether voluntarily or involuntarily, under other than adverse conditions as characterized by the Secretary concerned;

**3.1.1.2** Immediately preceding that discharge or release, were entitled to medical and dental care under a military Health Care Plan (HCP)--including transitional health care under the

**TRICARE Policy Manual 6010.57-M, February 1, 2008**

Chapter 10, Section 4.1

Continued Health Care Benefit Program (CHCBP)

---

Transitional Assistance Management Program (TAMP) (except in the case of a member discharged or released from full-time National Guard duty);

**3.1.1.3** After that discharge or release and any period of transitional health care provided under TAMP would not otherwise be eligible for any benefits under TRICARE; and

**3.1.2** A person who:

**3.1.2.1** Ceases to meet requirements for being considered an unmarried dependent child of a member or former member of the Uniformed Services;

**3.1.2.2** On the day before ceasing to meet those requirements, was covered under TRICARE or TAMP as a family member of the member or former member; and

**3.1.2.3** Would not otherwise be eligible for any benefits under TRICARE.

**3.1.3** A person who:

**3.1.3.1** Is an unremarried former spouse of a member or former member of the Uniformed Services (for purposes of this program, there is no minimum time requirement regarding the length of time the former spouse was married to the member or former member);

**3.1.3.2** On the day before the date of the final decree of divorce, dissolution, or annulment was covered under a health benefits plan under TRICARE or TAMP as a family member of the member or former member; and,

**3.1.3.3** Is not eligible for TRICARE as a former spouse of a member or former member.

**3.1.4** An unmarried person who:

**3.1.4.1** Is placed in the legal custody of a member or former member as a result of a court order or by an adoption agency recognized by the Secretary of Defense **or by any other source authorized by state or local law to provide adoption placement for a period of at least 12 consecutive months**; and

**3.1.4.2** Meets [paragraphs 3.1.4.2.1, 3.1.4.2.2, or 3.1.4.2.3](#):

**3.1.4.2.1** Has not attained the age of 21;

**3.1.4.2.2** Has not attained the age of 23 and is enrolled in a full time course of study at an institution of higher learning; or

**3.1.4.2.3** Is incapable of self-support because of a mental or physical incapacity. This incapacity must have occurred while the person was considered a family member of the member or former member under [paragraphs 3.1.4.2.1 or 3.1.4.2.2](#); and

**3.1.4.3** Is dependent on the member or former member for over one-half of the person's support; and

**3.1.4.4** Resides with the member or former member unless separated by the necessity of military service or to receive institutional care as a result of disability or incapacitation; and

**3.1.4.5** Is not a family member of a member or a former member under any other subparagraph.

### **3.2 Notification of Eligibility**

**3.2.1** The Department of Defense will notify persons eligible to receive health benefits under the CHCBP.

**3.2.2** In the case of a member who becomes (or will become) eligible for continued coverage, the member shall be notified of their rights for CHCBP coverage as part of pre-separation counseling.

**3.2.3** In the case of a child of a member or former member who becomes eligible for continued coverage:

**3.2.3.1** The member or former member may submit to the CHCBP contractor a notice of the child's change in status (including the child's name, address, and such other information needed); and

**3.2.3.2** The CHCBP contractor, within 14 days after receiving such information, will inform the child of the child's rights under the CHCBP.

**3.2.4** In the case of a former spouse of a member or former member who becomes eligible for continued coverage, the CHCBP contractor will notify the former spouse of eligibility for CHCBP when the contractor becomes aware of the change in marital status.

**3.2.5** In the case of a family member who is placed in the legal custody of a member or former member:

**3.2.5.1** The member or former member may submit to the CHCBP contractor a notice of the family member's status (including the family member's name, address, date placed in legal custody, and such other information needed); and

**3.2.5.2** The CHCBP contractor, within 14 days after receiving such information, will inform the member or former member of the family member's rights under the CHCBP.

### **3.3 Election of Coverage**

**3.3.1** In order to obtain continued coverage, written election by an eligible beneficiary must be submitted to the CHCBP contractor before the end of the 60-day period beginning on the later of:

**3.3.1.1** Date of discharge or release from active duty or full-time National Guard duty;

**3.3.1.2** The date on which the period of transitional health care applicable to the member under TAMP ends;

**3.3.1.3** The day after the one-year period of TRICARE coverage for former spouses ends;

**3.3.1.4** The day after the date the beneficiary loses eligibility for care under the Military Health System (MHS).

**3.3.1.5** The date the beneficiary receives notification of eligibility. This date will correspond to the date of brochures, newsletters, etc., of which the beneficiaries are expected to be aware.

**3.3.1.6** The date the family member is placed in the legal custody of a member or former member.

**3.3.2** A member of the Uniformed Services who is eligible for enrollment may elect self-only or family coverage. Family members who may be included in such family coverage are the spouse and children of the member.

## **3.4 Enrollment**

### **3.4.1 General**

In order to enroll in the CHCBP, an eligible individual must submit a CHCBP enrollment application to the CHCBP contractor. The name and address of the CHCBP contractor will be extensively publicized and is available through TRICARE Service Centers (TSCs), DoD transition offices, Military Treatment Facilities (MTFs), other DoD entities and Uniformed Services which provide information regarding TRICARE.

### **3.4.2 Application**

**3.4.2.1** Applicants for enrollment in CHCBP are required to use DoD Document (DD) Form 2837, CHCBP Application. DD Form 2837 is available electronically on the web at <http://www.dtic.mil/whs/directives/infomgt/forms/eforms/dd2837.pdf>, through the TRICARE web site, and through the CHCBP contractor's web site. It is also available in hardcopy from the CHCBP contractor or any of the TSCs. The individual must submit with the application supporting documentation as requested by the CHCBP contractor to validate the individual's eligibility for enrollment in CHCBP.

**3.4.2.2** The application must also include payment for the premium for the first quarter (three months) coverage under the CHCBP. Payment must be by check or money order made out to "The Treasury of the United States" or by credit card. The exact amount of the premium is shown on the enrollment application form and is also available from the CHCBP contractor or wherever the applicant obtains information regarding the CHCBP.

### **3.4.3 Enrollment Determinations**

**3.4.3.1** Verification of Enrollment. Once eligibility for the CHCBP has been verified by the CHCBP contractor, the CHCBP contractor will make the appropriate entries in Defense Enrollment Eligibility Reporting System (DEERS) and will notify the applicant of the enrollment approval (or denial) and provide the enrollee with a CHCBP identification card.

**3.4.3.2** Family members not identified on DEERS. When a contractor receives a CHCBP claim which includes a family member not identified on DEERS as enrolled, but the sponsor indicates CHCBP coverage, the contractor is to take the following action: If the claim includes a copy of an appropriately marked CHCBP ID card for the beneficiary, the claim is to be processed. If the claim is

for a beneficiary who is less than 60 days old, the claim is to be processed, even if no copy of an CHCBP ID card is attached. In all other cases, the claim is to be denied.

**3.4.3.3** Disputes Regarding Enrollment. Determination of a person's eligibility as a CHCBP beneficiary is the responsibility of the CHCBP contractor. Disputed questions of fact concerning a beneficiary's eligibility will not be considered an appealable issue, but must be resolved with the appropriate Uniformed Service.

#### **3.4.4 Disenrollment in Other Programs**

In order to be eligible to enroll in the CHCBP, the beneficiary will be disenrolled from any other managed care programs established or operated under the auspices of the DoD. This will require no action on the beneficiary's part.

### **3.5 Period of Coverage**

**3.5.1** Limits on Coverage Periods. Coverage under the CHCBP varies depending on the category of beneficiary as described below.

**3.5.1.1** Members discharged or released from active duty or full-time National Guard duty.

**3.5.1.1.1** For any member discharged or released from active duty or full-time National Guard duty, whether voluntarily or involuntarily, coverage under the CHCBP is limited to eighteen (18) months from the date the member was first eligible for the CHCBP. That first date of eligibility is either the date the member first ceases to be entitled to care under a military HCP as an active duty member or the date the member first ceases to be eligible for care under the TAMP, whichever is later.

**3.5.1.1.2** If a separated active duty member who was enrolled in CHCBP returns to active duty, enrollment in CHCBP will end. At that time, the CHCBP contractor will refund any portion of the member's previously paid premium for any days after CHCBP enrollment ends. If the member subsequently separates from active duty again and reenrolls in CHCBP, the member's period of coverage in CHCBP shall be a full 18 months beginning the date of the most recent separation.

**Note:** If the member elects family coverage, eligibility periods for the family are identical to those for the member.

**3.5.1.2** Unmarried dependent child. For an unmarried dependent child of a member or former member, coverage under the CHCBP is limited to 36 months from the date on which the person first ceases to meet the requirements for being considered an unmarried dependent child. However, if the person ceases to meet the requirements for being considered an unmarried dependent child during a period of continued coverage of the member for self and family members, the person's coverage under the CHCBP ends 36 months after the date the child became ineligible for medical and dental care under a military HCP or the date the child first ceases to be eligible for care under TAMP, whichever is later.

**3.5.1.3** Unremarried former spouse.

**TRICARE Policy Manual 6010.57-M, February 1, 2008**

Chapter 10, Section 4.1

Continued Health Care Benefit Program (CHCBP)

---

**3.5.1.3.1** For an unremarried former spouse of a member or former member, coverage under the CHCBP is limited to 36 months after the later of:

**3.5.1.3.1.1** The date on which the final decree of divorce, dissolution, or annulment occurs; or

**3.5.1.3.1.2** The date which is one year after the date of the divorce, dissolution, or annulment, if the former spouse is eligible for one-year transitional coverage under TRICARE.

**3.5.1.3.1.3** The date the member became ineligible for medical and dental care under a military HCP as an active duty member or the date the member first ceases to be eligible for care under TAMP, whichever is later, if the former spouse first meets the requirements for being considered an unremarried former spouse during a period of continued coverage of that member for self and family members.

**3.5.1.3.2** The limitations described in (1) above do not apply and the length of coverage can be for an unlimited period of time, if the former spouse:

**3.5.1.3.2.1** Has not remarried before the age of 55; and

**3.5.1.3.2.2** Was enrolled in the CHCBP or Prime as the family member of an involuntarily separated member during the 18-month period before the date of the divorce, dissolution, or annulment; and

**3.5.1.3.2.3** Is receiving any portion of the retired or retainer pay of the member or former member or an annuity based on the retired or retainer pay of the member; or

**3.5.1.3.2.4** Has a court order for payment of any portion of the retired or retainer pay; or

**3.5.1.3.2.5** Has a written agreement (whether voluntary or pursuant to a court order) which provides for an election by the member or former member to provide an annuity to the former spouse.

**3.5.1.3.3** If an unremarried former spouse who is enrolled in the CHCBP subsequently remarries, enrollment in CHCBP will end as of the date of the marriage. The CHCBP contractor will refund any portion of the former spouse's previously paid premium for any days after CHCBP enrollment ends. Regardless of the period of coverage used by the former spouse, remarriage results in loss of all further eligibility for CHCBP coverage unless future eligibility can be subsequently established based on the criteria in [paragraph 3.1](#).

**3.5.1.4** Family member placed in the legal custody of a member or former member. For a family member who is placed in the legal custody of a member or former member, coverage under the CHCBP is limited to 36 months from the date on which the person was formally placed in legal custody. If the family member ceases to meet the eligibility criteria in [paragraph 3.1.4](#) prior to the expiration of the 36 months (e.g., is removed from legal custody of the member or former member), eligibility will end as of the date the family member no longer meets the criteria.

**3.5.2** Beginning of Enrollment. Although beneficiaries have 60 days to enroll in the CHCBP (as described in [paragraph 3.4](#)), the period of coverage must begin on the day after entitlement to a

military HCP (including transitional health care under TAMP) ends but no earlier than October 1, 1994.

### **3.6 CHCBP Administration**

#### **3.6.1 General**

Except as provided below, all basic TRICARE benefits and procedures apply to the CHCBP. In addition, any DoD-sponsored preferred provider benefits organization program which provides for reduced cost-sharing, etc., such as the TRICARE Extra option, is also available to CHCBP beneficiaries.

#### **3.6.2 Exceptions**

##### **3.6.2.1 Eligibility**

The CHCBP has unique eligibility requirements as contained in [paragraph 3.1](#).

##### **3.6.2.2 Non-Availability Statements (NAS) and Use of MTFs**

**3.6.2.2.1** Since CHCBP beneficiaries pay premiums for coverage and since they must have lost their eligibility for all other DoD health care benefits in order to be eligible for the CHCBP, there is no requirement that they use any medical facility of the Uniformed Services or that they obtain a NAS.

**3.6.2.2.2** CHCBP beneficiaries cannot normally receive treatment in an MTF except due to an emergency situation. When this occurs, payment may be made to the MTF since it meets all of the requirements of an authorized provider.

##### **3.6.2.3 Beneficiary Liability**

**3.6.2.3.1** For purposes of CHCBP deductible and cost-sharing requirements, and catastrophic CAP limits, amounts applicable to the category of beneficiary (active duty or retired) to which the CHCBP enrollee's sponsor last belonged shall continue to apply. Because separating active duty members were not eligible for TRICARE, amounts applicable to family members of active duty members shall apply to this category of enrollee.

**3.6.2.3.2** Active duty cost-shares shall apply to emancipated children and family members placed in legal custody whose sponsor is an active duty member at the time of enrollment. If the sponsor retires during the period of enrollment of the emancipated child or family member placed in legal custody, retirees' cost-shares shall apply to the enrollee as of the date of retirement of the sponsor.

**3.6.2.3.3** Former spouses are responsible for retiree cost-shares just as they are under TRICARE.

**3.6.2.3.4** Deductible and cost-sharing amounts for the CHCBP must be met independent of TRICARE deductible and cost-sharing amounts. Any deductible and cost-sharing amounts previously paid under TRICARE cannot be carried over to the CHCBP.

### **3.6.2.4 Special Programs**

**3.6.2.4.1** Available to CHCBP. TRICARE Extra.

**3.6.2.4.2** Not Available to CHCBP. The following special TRICARE programs are not available to CHCBP beneficiaries.

- Extended Care Health Option (ECHO).
- TRICARE Dental Plan.
- Supplemental Health Care Program.
- TRICARE Enrollment Program (except for TRICARE Extra as noted above).

## **3.7 Premiums**

### **3.7.1 Rates**

**3.7.1.1** General. Premium rates are established by the Assistant Secretary of Defense (Health Affairs) for two rate groups--individual and family. The rates are based on Federal Employee Health Benefit Program employee and agency contributions which would be required for a comparable health benefits plan, plus an administrative fee. The administrative fee, which is not to exceed 10% of the basic premium amount, is determined based on actual expected administrative costs for administration of the CHCBP. The premium rates may be updated annually and will be published when updated. The rates are also available from the CHCBP contractor.

**3.7.1.2** Rate Groups. Members discharged or released from active duty or full-time National Guard duty must select their rate group at the time they enroll--either individual or family. (All other CHCBP enrollees must select the individual option.)

**3.7.1.3** Changing Rate Groups. Only those individuals identified in [paragraph 3.1.1](#) are eligible to change rate groups.

**3.7.1.3.1** Family to Individual. After enrollment, the sponsor may change from family to individual at any time by notifying the CHCBP contractor in writing.

**3.7.1.3.2** Individual to Family. Changes from individual to family may not be made except when one of the following qualifying events has occurred.

**3.7.1.3.2.1** The birth of a child;

**3.7.1.3.2.2** Marriage of the sponsor;

**3.7.1.3.2.3** Legal adoption of a child; or

**3.7.1.3.2.4** Placement by a court of a child as a legal ward in the sponsor's home.

**3.7.1.3.3** If one of the above qualifying events has occurred, the sponsor can change his/her enrollment from individual to family, effective as of the date of the qualifying event, if:

**3.7.1.3.3.1** The qualifying event occurred after the beneficiary's enrollment in the CHCBP;



**TRICARE Policy Manual 6010.57-M, February 1, 2008**

Chapter 10, Section 4.1

Continued Health Care Benefit Program (CHCBP)

---

**3.7.1.3.3.2** The beneficiary sends a written request to the CHCBP contractor no later than (NLT) 60 days from the date of the qualifying event (date of birth, date of marriage, etc.);

**3.7.1.3.3.3** The written request includes documentation of the qualifying event (a copy of the birth certificate, etc.) and the necessary additional premium. Premiums are to be prorated based on the days of each type of coverage.

**3.7.2 Payments**

**3.7.2.1** Frequency. Premiums are to be paid quarterly to the CHCBP contractor. Payment must be made NLT 30 days after the start of the enrollment quarter.

**3.7.2.2** Failure to Make Payments. Failure by enrollees to make a premium payment as required in [paragraph 3.7.2.1](#) will result in denial of continued enrollment in the CHCBP and denial of payment of medical claims for services provided on or after the first day of the quarter for which the premium payment was not paid. Beneficiaries denied continued enrollment due to lack of premium payments will not be allowed to reenroll.

**4.0 EFFECTIVE DATE**

October 1, 1994.

**FIGURE 10.4.1-1 CHCBP IMPLEMENTING INSTRUCTIONS**

Continued Health Care Benefit Program (CHCBP). The CHCBP is a health care program that allows certain groups of Military Health System (MHS) beneficiaries to continue receiving benefits under TRICARE when they lose eligibility for military health care. This temporary health program is supported by premium revenue collected from the enrollees of the program. The Continued Health Care Benefit Program (CHCBP) contractor shall provide all services necessary to support the CHCBP as outlined in [32 CFR 199.20](#). Other references describing the CHCBP that are to be used by the CHCBP contractor in fulfilling its responsibilities are applicable sections of the TRICARE Policy Manual (TPM) and TRICARE Operations Manual (TOM) and the Federal Registers dated September 30, 1994 (pg. 49817ff), February 11, 1997 (pg. 6225ff), and February 24, 1997 (pg. 8312). The CHCBP contractor shall perform these functions for CHCBP beneficiaries on a worldwide basis, irrespective of the geographic area in which the beneficiary resides or the area in which health care services are received.

The legislative basis for the program is Section 4408 of the National Defense Authorization Act of 1993 (Public Law 102-484) which revised section 1078 of Title 10 of the U.S. Code. Beneficiaries eligible to purchase the continued health program are described in Title 10, U.S. Code, section 1078a.

As CHCBP is not part of the TRICARE Program, the CHCBP contractor shall follow the following requirements for those areas in which the CHCBP instructions and processing requirements are different than TRICARE.

**1. Validate Eligibility for CHCBP.**

Upon receiving a completed enrollment application from a prospective enrollee, the CHCBP contractor shall validate eligibility on the Defense Enrollment and Eligibility Reporting System (DEERS) and request such other information as may be necessary to validate eligibility for participating in CHCBP. The supporting documentation that the CHCBP contractor shall request from the applicant differs depending on the category of individual who is applying for enrollment as shown below:

- a.** Individual sponsor and his/her family: a copy of the DD Form 214, "Certificate of Release or Discharge from Active Duty," or a copy of the sponsor's active duty orders
- b.** Unremarried former spouse and stepchildren of the sponsor: a copy of the final divorce decree
- c.** Child who loses military coverage due to marriage: a copy of marriage certificate
- d.** Child who loses military health coverage on his/her 21st birthday if not a full-time student or on his/her 23rd birthday if a full-time student: a copy of the front and back of military ID card
- e.** Child who loses military coverage due to college graduation: a copy of college transcript
- f.** Child who ceases to be a full-time student: a letter from the college stating the student's status
- g.** Child placed in sponsor's legal custody: a copy of the court order

For any other situations in which an individual loses military coverage and may potentially be eligible for CHCBP, the CHCBP contractor shall request such other information as it needs to verify eligibility.

**FIGURE 10.4.1-1 CHCBP IMPLEMENTING INSTRUCTIONS (CONTINUED)**

If during the eligibility verification process the CHCBP contractor determines the applicant is not eligible to enroll due to an ineligible response from DEERS (i.e., no history segments or record of previous DoD entitlement) or failure of the applicant to provide the documentation that the CHCBP contractor has requested to verify eligibility for CHCBP, the CHCBP contractor shall deny the enrollment and promptly notify the applicant in writing of the reason for the denial.

**2. Enrollment and Premiums.**

**2.a. CHCBP Enrollment Period.**

There is a 60-day enrollment period for CHCBP. The CHCBP contractor shall deny any enrollment requests it receives after the 60-day period.

The start-date of the enrollment period begins the day following the end date of the beneficiary's eligibility for military health care benefits (to include TAMP). The CHCBP contractor shall apply the following business rules when determining the start of the 60-day enrollment period.

**2.a.1. Service Members & Their Families and Children Losing Military Coverage:**

The CHCBP contractor shall use the day following the end date of military coverage for separating service members and their families and for children who lose military coverage. The reason for this is because the government routinely notifies these categories of beneficiaries of the CHCBP prior to their loss of military coverage (active duty members are notified of the CHCBP during outprocessing; children who lose military coverage are notified by the Defense Manpower Data Center (DMDC) in writing of the availability of the CHCBP). However, if the active duty sponsor or the adult child advises the CHCBP contractor that he/she was not notified of this program and submits documentation to support their position, the CHCBP contractor shall establish the start-date of the 60-day enrollment period as the date that the applicant received notification of the program.

**2.a.2. Unremarried Former Spouses:**

As there is no formal mechanism established to promptly identify unremarried former spouses that may qualify for this program, the CHCBP contractor shall presume that an application for enrollment by an unremarried former spouse was received within the 60-day enrollment period of an unremarried former spouse's first being notified of CHCBP.

**2.b. Enrollment Categories.**

CHCBP provides two enrollment categories and premiums. Individual coverage is available to the service sponsor, an unremarried former spouse and an adult child. Family coverage is only available to the service member and his/her dependents. For family coverage, the dependents cannot be enrolled unless the sponsor also enrolls.

**FIGURE 10.4.1-1 CHCBP IMPLEMENTING INSTRUCTIONS (CONTINUED)**

**2.c. CHCBP Enrollment Application.**

The CHCBP contractor shall use DD Form 2837 as the application form for CHCBP enrollments. The form is located at web site: <http://www.dior.whs.mil/icdhome/forms.htm>. No later than six months prior to the start work date of the contract, the CHCBP contractor shall provide the Contracting Officer's Representative (COR) with the mailing address and toll-free telephone number that the CHCBP contractor wants printed on the CHCBP enrollment application form. The government will then reissue the DD Form with the applicable information from the CHCBP contractor. Should DD Form 2837 be revised or renumbered in the future, the CHCBP contractor is required to use any subsequent government issued form for CHCBP enrollment applications.

**2.d. Dates of Coverage & Premiums Payments Required to Process Enrollment Requests.**

A CHCBP enrollee may not select his/her effective dates of coverage. Coverage will begin the day following the beneficiary's loss of military coverage. Enrollment will end the last date for which premium was received.

Due to the nature of this program and the documentation requirements for enrollment, most enrollments will be retroactive; however, there will be some enrollments that will be prospective. Prospective enrollments must be accompanied by premium payment for one quarter. Retroactive enrollments must be accompanied by full premium payment retroactive to the effective date of coverage through the quarter in which the individual is applying.

Premiums are as stated in paragraph 2.e. of these instructions.

The following are examples of the premium required for retroactive and prospective enrollments:

	<u>Military Benefits End</u>	<u>Application Received</u>	<u>Quarters of Premium Due</u>	<u>CHCBP Coverage Begins</u>
Example 1:	10/01/2010	11/15/2010	1 quarter	10/02/2010
Example 2:	09/15/2010	02/10/2011	2 quarters	09/16/2010
Example 3:	010/1/2010	05/01/2011	6 quarters	01/02/2010
Example 4:	11/05/2010	10/01/2010	1 quarter	11/06/2010
Example 5:	03/01/2011	11/01/2010	1 quarter	03/02/2011

**2.e. CHCBP Premium Rates.**

The amount of the CHCBP premiums to be charged shall be established by the government and may be adjusted annually.

**CHCBP Quarterly Premiums Rates**

<u>Effective Dates</u>	<u>Individual Coverage</u>	<u>Family Coverage</u>
May 1, 1997 to September 30, 2010	\$933	\$1,996
October 1, 2010	\$988	\$2,213

For government directed premium changes, the contractor shall begin charging the new quarterly premiums on or after the new effective date.

Upon receipt of new rates from the government, the contractor shall issue a written notice to the enrollee of the changes in premium amounts, to include the effective date of the change.

**FIGURE 10.4.1-1 CHCBP IMPLEMENTING INSTRUCTIONS (CONTINUED)**

When qualifying events occur that would change the sponsor from individual to family coverage (see the TPM), the CHCBP coverage and premiums shall be changed from individual to family effective with the date of the qualifying event. The rates must also be changed when the sponsor changes from family to individual coverage. The CHCBP contractor shall issue a written notice to the enrollee of the changes in the enrollment category and premium amount, to include the effective date of the changes.

**2.f. Form of Payment.**

Checks, money orders, or credit cards are an allowable form of payment for CHCBP beneficiaries to use in paying their premium. The CHCBP contractor may propose for the government's consideration any additional CHCBP payment mechanisms, to include electronic processes for premium payments and enrollment processes. Such proposed electronic processes must maintain the integrity of the enrollment processes which includes important documentation the applicant is required to submit to validate their eligibility for enrollment in CHCBP.

The CHCBP contractor must as a minimum accept VISA and MasterCard for credit card payments. The CHCBP contractor may, but is not required to, accept additional nationally recognized major credit cards as a form of premium payment.

The CHCBP contractor may not accept any CHCBP premiums that have been submitted by, or on behalf, of a health care provider for any enrollee other than (a) the provider him/herself and (b) a member of the provider's immediate family. Should the CHCBP contractor receive a provider submitted payment, the CHCBP contractor shall return the payment to the provider with a written notice. The CHCBP contractor shall also mail a copy of that notice to the enrollee. The notice shall advise the provider and enrollee that the contract prohibits the acceptance of any premium payments that are made by any health care providers. The CHCBP contractor shall also submit a package of information to the TMA Program Integrity Office to include the following documentation: copy of CHCBP contractor's notification to the provider, copy of front and back of premium (money order or check), originals of all documentation submitted by the provider (to include mailing envelope), documentation of all conversations and communications that the CHCBP contractor had with the provider on the subject of paying premiums, and any other information that the CHCBP contractor has in its files or records concerning the provider that might be of assistance in government follow-up action on this issue.

**2.g. Insufficient Funds.**

In the case of insufficient funds, the CHCBP contractor shall promptly issue a written notice to the applicant (for initial enrollments) or enrollee (in the case of renewal enrollments). The notice shall advise the applicant or enrollee of the insufficient funds payment, the amount of the premium due, and the date by which a valid premium must be received by the CHCBP contractor. For initial enrollment requests, the notice shall also advise the beneficiary that if premium payment is not received in full by the due date (the last day of the 60-day enrollment period), the applicant will not be enrolled in CHCBP. For renewals, the notice shall advise the enrollee that if the CHCBP contractor does not receive valid payment in full within 30 days of the date of the CHCBP contractor's letter, that the enrollee will be disenrolled from CHCBP. That notice shall also provide the effective date of disenrollment if payment is not received. If the premium payment has not been received by the CHCBP contractor within the specified timeframe, the CHCBP contractor shall promptly disenroll the beneficiary from CHCBP and DEERS, and issue a written notice to the beneficiary confirming the disenrollment.

---

**FIGURE 10.4.1-1 CHCBP IMPLEMENTING INSTRUCTIONS (CONTINUED)**

**2.h. Refunds.**

Premiums may be refunded if the applicant is no longer eligible for enrollment, i.e., beneficiary goes on active duty; ex-spouse remarries; adult child becomes an active duty service member; death of beneficiary; prospective member who has prepaid premium but fails to provide required eligibility documentation; and sponsor change in enrollment from family to individual coverage. When refunds are appropriate, the CHCBP contractor shall prorate the refund from the date of loss of eligibility for program benefits through the end coverage date for which the premium was paid.

**2.i. Length of CHCBP Coverage.**

Once enrolled, the length of an enrollee's CHCBP coverage varies according to the category of individual: a) former service members and their dependents: up to 18 months; b) unremarried former spouses: up to 36 months unless the former spouse meets the criteria for continued coverage beyond the 36 months in which case they can receive an unlimited coverage period (see criteria below); c) a person who ceases to meet the requirements for being considered an unmarried dependent child of a member or former member of the Uniformed Services: up to 36 months; and d) unmarried persons placed in legal custody of a member or former member as a result of a court order or by adoption: up to 36 months.

In the case of an unremarried former spouse of a member or former member, whose divorce occurred prior to the end of transitional coverage, the period of coverage under the CHCBP is unlimited, if the criteria in section III.E.1.(C)(12) are met.

**2.j. Processing Enrollments.**

Once the CHCBP contractor has verified eligibility and approved the enrollment application request, the CHCBP contractor shall enter CHCBP enrollment data into DEERS through the applicable on-line interface. As DEERS does not allow individuals to be added to a sponsor's record after the sponsor's military coverage ends, there will be a relatively small number of CHCBP enrollments that the CHCBP contractor cannot enroll in DEERS. The majority will be newborns whose birth occurred after the sponsor's military coverage ends, but there will occasionally be other enrollees as well. As such, the CHCBP contractor should not rely on DEERS as being the sole determinant of whether or not an individual is a CHCBP enrollee and eligible for services as these individuals would not be reflected on DEERS. The CHCBP contractor's systems will need to accommodate these unique cases in which the beneficiary is enrolled in CHCBP but not reflected on DEERS to ensure that the CHCBP contractor recognizes and provides these beneficiaries with all required CHCBP benefits and accurate processes, i.e., claims processing, issuing authorizations, accessing services, etc.

The DEERS system will not allow a CHCBP enrollment to be entered into the DEERS on-line enrollment system if the sponsor's military coverage has not been terminated on DEERS. In these cases, the CHCBP contractor shall send a fax to the Defense Manpower Data Center (DMDC) in California to request that the sponsor be disenrolled from DEERS. The CHCBP contractor shall also fax a copy of the DD 214 or such other proof that it has that the sponsor has been released or discharged from service. The CHCBP contractor will continue to query DEERS and complete the processing of the enrollment when the DEERS system has been changed to reflect that the sponsor is no longer eligible for services under the Military Health System, to include TRICARE and TAMP. The government will provide the CHCBP contractor with the point of contacts and fax number for DMDC.

**FIGURE 10.4.1-1 CHCBP IMPLEMENTING INSTRUCTIONS (CONTINUED)**

The CHCBP contractor shall issue the enrollee a CHCBP Enrollment ID Card. The purpose of the ID card is to provide the enrollee with (a) confirmation that the individual is enrolled and the effective enrollment dates; and (b) documentation that the enrollee can then use to readily access health care services. The ID card must contain sufficient information to facilitate an enrollee's access to health care. Coverage dates on the ID card must be limited to those dates for which a valid quarterly premium has been received by the CHCBP contractor. As such, ID cards must also be issued for all subsequent quarterly payments received by the CHCBP contractor. The ID card must reflect that the enrollment is for the CHCBP and at a minimum provide the CHCBP contractor's name, address, toll-free telephone number, and claims center mailing address.

The CHCBP contractor shall also promptly issue a letter to the applicant confirming enrollment, including the dates of coverage. The letter shall advise the enrollee of the requirements that must be met for continued coverage in the program, including relevant information regarding future CHCBP contractor billings and premium payments that the enrollee would be required to make to ensure continued coverage. The CHCBP contractor shall also issue either a CHCBP coverage policy or such other sufficient written information regarding the CHCBP for enrollees' future reference should they have any questions regarding CHCBP benefits and program requirements.

**2.k. Reenrollment and Disenrollment.**

The CHCBP contractor shall mail initial premium renewal notices to enrollees no later than 30 days before the expiration of the enrollment quarter. As the CHCBP enrollee's initial enrollment in CHCBP is primarily based on the documentation that the applicant submits to verify eligibility for CHCBP, the CHCBP contractor does not need to routinely query DEERS for renewal enrollments and quarterly billings. Absent information or evidence to the contrary, the CHCBP contractor shall assume that the individual continues to meet the requirements for CHCBP as outlined in the applicant's original documentation to validate eligibility for CHCBP enrollment. The initial renewal notices shall clearly specify the premium amount due, the date by which the premium must be received, and the mailing address to which the premium payment must be sent. Renewal notices shall specify that failure to submit the premium due will result in denial of continued coverage and termination from the program.

The CHCBP contractor shall provide a 30-calendar day grace period following the premium due date in which the enrollee can still submit his/her premium and continue enrollment in the program with no break in coverage. If the premium is not received following the initial renewal notice to the beneficiary requesting premium for the next quarter, the CHCBP contractor shall issue a second renewal notice to the enrollee sufficiently in advance of the end of the grace period. The second renewal notice shall indicate that this is the second and final billing notice and that if payment is not received by the due date specified in the notice, that CHCBP coverage will be terminated as of that date. The notice shall also advise the enrollee that if he/she is disenrolled due to nonpayment of premium, that he/she will not be allowed to reenroll in CHCBP in the future.

If the premium is not received by the end of the grace period, the CHCBP contractor shall terminate the enrollee's coverage in CHCBP and promptly mail a letter to the beneficiary confirming the termination, to include the effective date and basis for the termination. The CHCBP contractor shall enter all CHCBP disenrollments into DEERS.

**FIGURE 10.4.1-1 CHCBP IMPLEMENTING INSTRUCTIONS (CONTINUED)**

Beneficiaries who desire to voluntarily disenroll from the CHCBP prior to the end of their paid up period shall provide their request in writing to the CHCBP contractor. Refund of unused premiums are only allowed for items covered in paragraph 2.h. of these instructions, i.e., lost of eligibility such as beneficiary goes on active duty; ex-spouse remarries, etc. Voluntary disenrollments because the beneficiary obtained other health insurance (OHI) does not constitute grounds for a refund of unused premiums.

Following an enrollee's disenrollment from CHCBP, the CHCBP contractor is responsible for issuing a Certificate of Creditable Coverage (CoCC) to the enrollee within 14 days from the date that the CHCBP contractor disenrolls these beneficiaries from CHCBP. In addition, the CHCBP contractor shall issue CoCCs upon request up to 24 months retroactively after the start of health care. No later than four months prior to the start work date of the contract, the government will furnish the CHCBP contractor with a sample of the format for these CoCCs.

In preparing and mailing all written notices and correspondence to beneficiaries and enrollees, the CHCBP contractor shall use the most recent beneficiary/enrollee address that it has in its files or that is otherwise made available or known to the CHCBP contractor.

**2.I. CHCBP Enrollment Data and Report.**

The CHCBP contractor shall maintain systems and databases to collect, track and process enrollment applications and to report monthly enrollment information to the government as well as any ad hoc reports that may be requested regarding CHCBP enrollments. The CHCBP contractor must also be able to retroactively retrieve pertinent enrollment information on any individual who has been accepted or denied enrollment in the program, to include the basis for such denials.

**3. CHCBP Program Materials.**

All CHCBP informational materials, booklets, brochures, and other public material are subject to review and approval by the COR prior to finalizing the material, and all must contain the CHCBP contractor's name, mailing address, toll-free telephone number and web site.

**4. CHCBP Inquiries and Customer Service Functions.**

The CHCBP contractor is responsible for responding to any CHCBP inquiries from any geographic area, to include locations outside the 50 United States and the District of Columbia. The CHCBP contractor is also responsible for providing timely, accurate and thorough responses to the inquiries it receives from any source, e.g., prospective applicants, enrollees, providers, other CHCBP contractors, government officials, etc. CHCBP inquiries shall be handled like any other TRICARE inquiry the CHCBP contractor receives as it relates to the attention that the CHCBP contractor devotes to the issue, as well as to the accuracy, timeliness and responsiveness of answering the inquiry.

The CHCBP contractor shall maintain the same customer service functions, services, level of performance, oversight and CHCBP contractor availability for the CHCBP inquiries as it has for its TRICARE line of business.



**FIGURE 10.4.1-1 CHCBP IMPLEMENTING INSTRUCTIONS (CONTINUED)**

**5. Fiduciary Responsibilities.**

The CHCBP contractor shall act as a fiduciary for all funds acquired from CHCBP premium collections, which are government property. The CHCBP contractor shall develop strict funds control processes for its collection, retention and transfer of CHCBP premiums to the government. All CHCBP enrollment premiums received by the CHCBP contractor shall be maintained in accordance with these procedures.

The CHCBP contractor shall select a commercial bank that is a member of the Federal Reserve Bank. A non-interest bearing account shall be established for the collection and disbursement of CHCBP premiums. The bank name, address, and account number shall be provided to the COR and to the TMA Contract Resource Management (CRM) no later than 60 calendar days prior to the start of the contract. The CHCBP contractor must provide written notification to the COR and TMA-CRM of any subsequent changes of banking institution and/or account numbers at least 30 calendar days prior to the effective date of such change. The CHCBP contractor is required to deposit all CHCBP premiums received within two workdays of receipt.

The CHCBP contractor shall make daily deposits of premiums, net of refund payments, to the US Treasury as directed by TMA-CRM Finance and Accounting Office. The government will provide the CHCBP contractor with information for this deposit no later than 45 calendar days prior to the start-work date of the contract. The CHCBP contractor shall notify the TMA-CRM Finance and Accounting Office by e-mail within one workday of the deposit specifying the date and amount of the deposit.

The CHCBP contractor shall maintain a system for tracking and reporting premiums and enrollments. The system is subject to government review and approval.

The CHCBP contractor shall submit the following monthly reports to the government in electronic format. The CHCBP contractor may propose to combine any of these reports with any other CHCBP reports that are required by the government or developed by the CHCBP contractor:

- a. Monthly Enrollee Premiums Report.
- b. Adjusted Premiums Report.
- c. Monthly Premiums Summary Report.

**6. DEERS.**

Refer to the DEERS instructions in the TOM for additional DEERS issues related to CHCBP.

**7. Reporting Responsibilities.**

In addition to enrollment and premium reports, the CHCBP contractor is responsible for providing a written report of major CHCBP workload data elements.

In addition to the written monthly reports, the CHCBP contractor may be required to produce CHCBP ad hoc reports as requested by the government. The data elements or information for such reports would be limited to that information that the CHCBP contractor has collected or should reasonably have collected in the performance of CHCBP work. Some manipulation and formatting of the data and information may be required to meet the requirements of the ad hoc reports. The government estimates that the CHCBP contractor would not receive more than three such requests per contract year and that the level of effort for the CHCBP contractor to produce the ad hoc reports is not expected to be significant.

- END -

