



DEFENSE
HEALTH AGENCY

HPOD

**OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
HEALTH AFFAIRS**

16401 EAST CENTRETECH PARKWAY
AURORA, CO 80011-9066

**CHANGE 280
6010.56-M
JULY 28, 2021**

**PUBLICATIONS SYSTEM CHANGE TRANSMITTAL FOR
TRICARE OPERATIONS MANUAL (TOM), FEBRUARY 2008**

The Defense Health Agency has authorized the following addition(s)/revision(s).

CHANGE TITLE: PAY CENTER LANGUAGE

CONREQ: 21404

SUMMARY OF CHANGE(S): This change broadens pay center language beyond DFAS, PHS and CG to anticipate additional pay centers coming online.

EFFECTIVE DATE: August 30, 2021.

IMPLEMENTATION DATE: August 30, 2021.

This change is made in conjunction with Feb 2008 TSM, Change No. 137.

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**John L. Arendale
Chief, Health Plan Operations
Support Section (HPOSS)
Defense Health Agency (DHA)**

- TRICARE Prime and TRICARE Select enrollees may **choose** one of the following three payment fee options (i.e., annual, quarterly, or monthly).
- **Beginning January 1, 2021: The contractor shall collect enrollment fees for new TRICARE Select policies, including TRICARE Select Group A enrollees that begin paying enrollment fees effective January 1, 2021, by monthly allotment only from military retired/retainer pay, where feasible, as mandated by law (National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2020, Section 702). Lack of feasibility includes instances where there is no retired/retainer pay (e.g., 100% disabled veterans, certain unremarried former spouses, survivors, etc.) available to cover monthly enrollment fees; or instances where the beneficiary adamantly refuses to authorize payment of fees via allotment. If not feasible, the contractor shall allow payment of monthly TRICARE Select enrollment fees via a monthly recurring electronic payment in the form of Electronic Funds Transfer (EFT) (which may include recurring credit and debit charges).**
- When enrollment fee or premium payments are permitted by credit or debit cards, beneficiaries in overseas locations must utilize a credit or debit card issued by a U.S. banking institution or other U.S. financial institution.
- In the event that there are insufficient funds to process a enrollment fee or premium payment, the contractor may assess the account holder a fee of up to 20 U.S. dollars (\$20.00) which is retained by the contractor. The contractor shall provide commercial payment methods for enrollment fees and premiums that best meet the needs of beneficiaries while conforming to [paragraphs 6.1.1](#) through [6.8](#).

6.1.1 Annual Payment Fee Option

An annual installment is collected in one lump sum. For initial enrollments, the contractor shall prorate the fee from the enrollment date to September (December 31, see [paragraph 6.1](#)). The contractor shall accept payment of the annual enrollment fee only by credit or debit card (e.g., Visa/MasterCard). See [paragraph 5.6.2](#) for disenrollment information if the appropriate enrollment fee payment is not received.

6.1.2 Quarterly Payment Fee Option

Quarterly installments are equal to one-fourth (1/4) of the total annual fee amount. For initial enrollments, the contractor shall prorate the quarterly fee to cover the period until the next quarter. Quarters begin on January 1, April 1, July 1, and October 1. The contractor shall collect quarterly fees thereafter. The contractor shall accept payment of the quarterly enrollment fee by credit or debit card (e.g., Visa/MasterCard and optionally may elect to receive quarterly payments via recurring debit/credit card or EFT transactions). See [paragraph 5.6](#) for disenrollment information if the appropriate enrollment fee payment is not received.

6.1.3 Monthly Payment Fee Option

Monthly installments are equal to one-twelfth (1/12) of the total annual fee amount rounded down if not divisible by 12. Monthly enrollment fees must be paid-through an automated, recurring electronic payment either in the form of an allotment from retirement pay or through EFTs from the enrollee's designated financial institution (which may include a recurring credit or

debit card charge). These are the only acceptable payment methods for the monthly payment option.

6.1.3.1 Enrollees who elect a monthly fee payment option must pay up to three months of fees (contractor determined), at the time the enrollment request is submitted; contingent on the method and date the request is submitted to allow time for an allotment, EFT or RCC to be established. The contractor shall explain the amount required and accept payment by personal check, cashier's check, traveler's check, money order, or debit/credit card (e.g., Visa/MasterCard) for initial enrollment requests. For continuous coverage requests, contractors shall accept payment by allotment, EFT or RCC.

6.1.3.2 The contractor shall obtain and verify the information needed to initiate monthly allotments and EFTs.

6.1.3.3 The contractor shall direct bill the beneficiary only when a problem occurs.

6.1.3.4 When an administrative issue arises that stops or prevents an automated monthly payment from being received by the contractor (e.g., incorrect or transposed number provided by the beneficiary, credit card expired, bank account closed, etc.), the contractor shall grant the enrollee 30 days from the paid-through date to provide information for a new automated monthly payment method or the option to pay quarterly or annually. The contractor may accept payment by check during this 30 day period in order to preserve the beneficiary's TRICARE Prime or TRICARE Select enrollment status.

6.1.3.5 Allotments from **active duty or** retired pay will be coordinated by the contractor with the DFAS or **the appropriate Uniformed Services pay center**, as appropriate (see the TSM, [Chapter 1, Section 1.1, paragraph 7.10](#) for Payroll Allotment Interface Requirements).

6.1.3.6 The contractor shall also research and resolve all requests that have been rejected or not processed by DFAS or **the appropriate Uniformed Services pay center**. If the contractor's research results in the positive application of the allotment action, the contractor shall resubmit the allotment request.

6.1.3.7 Within five business days, the contractor shall notify the beneficiary of rejected allotment requests and issue an invoice to the beneficiary for any outstanding enrollment fees due. The contractor shall respond to all beneficiary inquiries regarding allotments.

6.2 Member Category

The sponsor's member category on the effective date of the initial enrollment, as displayed in DOES, shall determine the requirement for an enrollment fee.

6.3 Unremarried Former Spouses (URFSs) and Children Residing with Them

6.3.1 URFSs became sponsors in their own right as of October 1, 2003. As such, they are enrolled under their own SSNs and pay an individual enrollment fee. URFS may not "sponsor" other family members and their fees may not be factored into any family fees associated with the former spouse/sponsor.