## 2. Analysis of Major Public Comments

One commenter noted the perception of many military beneficiaries that they were promised perpetual free care for their families when they joined the military service. Several commenters representing beneficiaries raised objections to the preamble section describing DoD's plans to consider user fees in MTFs, for some categories of beneficiaries and for some types of care. One commenter pointed out that mental health cost sharing was not addressed in the schedule, and that cost sharing for Medicare-eligible beneficiaries is unclear. Another commenter questioned whether retirees with service-connected disabilities, who in some cases receive treatment for their condition in MTFs. are in effect being charged for this care via the enrollment fee for TRICARE Prime.

Response. Regarding promises of perpetual free care and the preamble material regarding potential future imposition of fees for certain services in MTFs, we would point out that some elements of the MHSS, notably CHAMPUS, have always had beneficiary charges associated with them, and there has never been a system of unlimited free health care for family members and other beneficiaries. In considering options for the Uniform HMO Benefit, we considered imposition of fees in MTF's; because of the high volume of services provided there, a very small fee could have a dramatic impact on other cost sharing requirements necessary to meet the statutory requirements for budget neutrality. It was decided that we would not propose MTF fees in this rulemaking proceeding, but describe some of the considerations regarding such fees in the preamble to set the stage for a possible future rulemaking

Regarding mental health cost sharing, we would point out that the Consolidated Schedule of Beneficiary Charges includes several references to the TRICARE Triple Option cost sharing schedule, and the Uniform HMO Benefit Schedule, where mental health cost sharing requirements are described in detail.

Regarding cost sharing for Medicare beneficiaries, the rules of the Medicare program will generally apply for civilian care (with exceptions under PRIMUS and NAVCARE clinics, the special pharmacy program, and certain resource sharing agreements). The details of cost sharing for private sector services, prescribed under the Medicare program, are not presented here, but are available

from any Social Security Administration Office

Regarding beneficiaries with serviceconnected disabilities, they may elect to enroll in TRICARE Prime, or continue to exercise their entitlements to CHAMPUS, and to space-available care in MTF's or to receive priority care from Department of Veterans Affairs Medical Centers.

#### 3. Provisions of the Final Rule

The final rule is consistent with the proposed rule.

N. Additional Health Care Management Requirements Under Prime (Section 199.17(n)

#### 1. Provisions of Proposed Rule

This paragraph describes additional health care management requirements within Prime, and establishes the pointof-service option, under which CHAMPUS beneficiaries retain the right to obtain services without a referral, albeit with higher cost sharing. Each CHAMPUS-eligible enrollee will select or be assigned a Primary Care Manager who typically will be the enrollee's health care provider for most services, and will serve as a referral agent to authorize more specialized treatment, if needed. Health Care Finder offices will also assist enrollees in obtaining referrals to appropriate providers. Referrals for care will give first priority to the local MTF; other referral priorities and practices will be specified during the enrollment process.

### 2. Analysis of Major Public Comments

One commenter noted that enrollees would access MTF care only through their primary care manager, while non-enrollees could seek MTF care unfettered. This would limit access for enrollees to routine care at MTFs and to the additional services sometimes available in MTFs. Additionally, the commenter suggested that variations in MTF primary care capacity in different locations would create disparities in benefits and in access to MTF services.

Another commenter recommended that patient access to his/her medical specialist of choice be guaranteed, and that beneficiaries not be forced to be evaluated and treated for mental illness by non-physicians.

A commenter representing beneficiaries asked how far enrollees could be required to travel outside the area if needed care was unavailable locally.

One commenter questioned how referrals outside the network or area would be carried out, and how beneficiaries would obtain approval for such care.

Response. It is true that the capacity and capabilities of the direct care system of MTFs vary across the country, and that this creates some disparities in access to free health care services. The basic entitlement to CHAMPUS (or to Medicare) fills in many of the "gaps' arising from this circumstance; the Government shares in the costs of civilian health care obtained by beneficiaries. TRICARE attempts to further ameliorate disparities in access and cost through creation of an integrated military-civilian health care program. Under TRICARE Prime, outpatient care continues to be free in MTFs, and the Government assumes a greater share of the cost of civilian health care services. It is our firm belief that under a managed health care approach, beneficiaries will receive much better access to needed health care services than they do under the existing approach, in which MTF care and civilian care are largely uncoordinated.

Regarding the comments about access to specialist of choice, requirements to travel to receive care, and referrals for out-of-network care, we emphasize that one of the key features of TRICARE Prime is the assignment of a primary care manager for each enrollee. The primary care manager, supported by the Health Care Finder, will be responsible for providing or arranging all nonemergency care for the enrollee. As specified in section 199.17(n)(2)(iii)(C), when needed referral care is unavailable in MTF, the enrollee will have the freedom to choose a provider from among those in the civilian network, subject to availability. Beneficiaries will be authorized to receive care from providers not affiliated with the network in cases where neither military facilities nor the civilian network can provide the care, pursuant to section 199.17(n)(2)(iii)(E). Mandatory referrals necessitating travel are also addressed in section 199.17(n)(2): they can be required only if the enrollee was informed of the policy at or prior to enrollment. Travel will not be reimbursed, except in the context of the Specialized Treatment Services program. See 32 CFR 199.4(a)(10) and 58 FR 58955 for further information about that program.

# 3. Provisions of the Final Rule

The final rule is consistent with the proposed rule.