

(4) *Preferred provider network option for Standard participants.* Standard participants, although not generally required to use the TRICARE Program preferred provider network are eligible to use the network on a case-by-case basis, under Extra.

(g) *Coordination with other health care programs.* (1) *Authority.* In the case of any beneficiary of the military health services system, other than active duty members, who is enrolled in a managed health care program not operated by the military health services system, the Director, OCHAMPUS may establish a contract or agreement with such other managed health care program for the purpose of coordinating the beneficiary's dual entitlements under such program and the military health services system.

(2) *Covered programs.* A managed health care program with which arrangements may be made under this paragraph (g) includes any health maintenance organization, competitive medical plan, health care prepayment plan, or other managed care program recognized by the Director, OCHAMPUS. This includes managed care programs that operate under the authority of the Medicare program.

(3) *Coordination activities.* Any contract or agreement entered into under this paragraph (g) may integrate health care benefits, delivery, financing, and administrative features of the other managed care plan with some or all features of the TRICARE program.

(h) *Resource sharing agreements.* Under the TRICARE Program, any military treatment facility commander may establish resource sharing agreements with the applicable managed care support contractor for the purpose of providing for the sharing of resources between the two parties. Internal resource sharing and external resource sharing agreements are authorized. The provisions of this paragraph (h) shall apply to resource sharing agreements under the TRICARE Program.

(1) In connection with internal resource sharing agreements, beneficiary cost sharing requirements shall be the same as those applicable to health care services provided in facilities of the uniformed services.

(2) Under internal resource sharing agreements, the double coverage requirements of § 199.8 may be replaced by the Third Party Collection procedures of 32 CFR part 220. In such a case, payments made to a resource sharing agreement provider through the TRICARE managed care support contractor shall be deemed to be

payments by the military treatment facility concerned.

(3) Under internal or external resource sharing agreements, the commander of the military treatment facility concerned may authorize the provision of services pursuant to the agreement to Medicare-eligible beneficiaries, if the commander determines that this will promote the most cost-effective provision of services under the TRICARE program.

(i) *Health Care Finder.* The Health Care Finder is an administrative office that assists beneficiaries in being referred to appropriate health care providers, especially the MTF and preferred providers. Health Care Finder services are available to all beneficiaries. In the case of TRICARE Prime enrollees, the Health Care Finder will facilitate referrals in accordance with Prime rules and procedures. For Standard enrollees, the Finder will provide assistance for use of Extra. For Medicare-eligible beneficiaries, the Finder will facilitate referrals to TRICARE network providers, generally required to be Medicare participating providers. For participants in other managed care programs, the Finder will assist in referrals pursuant to the arrangements made with the other managed care program. For all beneficiary enrollment categories, the finder will assist in obtaining access to available services in the medical treatment facility.

(j) *General quality assurance, utilization review, and preauthorization requirements under TRICARE Program.* All quality assurance, utilization review, and preauthorization requirements for the basic CHAMPUS program, as set forth in this part 199 (see especially applicable provisions of §§ 199.4 and 199.15), are applicable to Prime, Extra and Standard under the TRICARE Program. Under all three options, some methods and procedures for implementing and enforcing these requirements may differ from the methods and procedures followed under the basic CHAMPUS program in areas in which the TRICARE Program has not been implemented. Pursuant to an agreement between a military treatment facility and TRICARE managed care support contractor, quality assurance, utilization review, and preauthorization requirements and procedures applicable to health care services outside the military treatment facility may be made applicable, in whole or in part, to health care services inside the military treatment facility.

(k) *Pharmacy services in base realignment and closure sites.*—(1) *In general.* TRICARE includes two special programs under which covered

beneficiaries, including Medicare-eligible beneficiaries, who live in areas adversely affected by base realignment and closure actions are given a pharmacy benefit for prescription drugs provided outside military treatment facilities. The two special programs are the retail pharmacy network program and the mail service pharmacy program.

(2) *Retail pharmacy network program.* To the maximum extent practicable, a retail pharmacy network program will be included in the TRICARE Program wherever implemented. Except for the special rules applicable to Medicare-eligible beneficiaries in areas adversely affected by military treatment facility closures, the retail pharmacy network program will function in accordance with TRICARE rules and procedures otherwise applicable. In addition, a retail pharmacy network program may on a temporary, transitional basis be established in a base realignment or closure site independent of other features of the TRICARE program. Such a program may be established through arrangements with one or more pharmacies in the area and may continue until a managed care program is established to serve the affected beneficiaries.

(3) *Mail service pharmacy program.* A mail service pharmacy program will be established to the extent required by law as part of the TRICARE Program. The special rules applicable to Medicare-eligible beneficiaries established in this paragraph (k) shall be applicable.

(4) *Medicare-eligible beneficiaries in areas adversely affected by military treatment facility closures.* Under the retail pharmacy network program and mail service pharmacy program, there is a special eligibility rule pertaining to Medicare-eligible beneficiaries in areas adversely affected by military treatment facility closures.

(i) *Medicare-eligible beneficiaries.* The special eligibility rule pertains to military system beneficiaries who are not eligible for CHAMPUS solely because of their eligibility for part A of Medicare.

(ii) *Area adversely affected by closure.* To be eligible for use of the retail pharmacy network program or mail service pharmacy program, a Medicare-eligible beneficiary must maintain a principle place of residency in the catchment area of the military medical treatment facility that closed. In addition, there must be a retail pharmacy network or mail service pharmacy established in that area. In identifying areas adversely affected by a closure, the provisions of this paragraph (k)(4)(ii) shall apply.