

ficiaries described in section 1086(d)(1) of this title who also participate in such contracts or plans. Without imposing additional costs on covered beneficiaries who participate in contracts for health care services under this section or health care plans offered under section 1099 of this title, the Secretary shall permit such covered beneficiaries to pay, on a quarterly basis, any enrollment fee required for such participation. Except as provided by paragraph (2), a premium, deductible, copayment, or other charge prescribed by the Secretary under this subsection may not be increased during the period beginning on April 1, 2006, and ending on September 30, 2011.

(2) Beginning October 1, 2012, the Secretary of Defense may only increase in any year the annual enrollment fees described in paragraph (1) by an amount equal to the percentage by which retired pay is increased under section 1401a of this title.

(Added Pub. L. 99-661, div. A, title VII, §701(a)(1), Nov. 14, 1986, 100 Stat. 3895; amended Pub. L. 103-337, div. A, title VII, §§713, 714(a), Oct. 5, 1994, 108 Stat. 2802; Pub. L. 104-106, div. A, title VII, §§712, 713, Feb. 10, 1996, 110 Stat. 374; Pub. L. 109-364, div. A, title VII, §704(a), Oct. 17, 2006, 120 Stat. 2280; Pub. L. 110-181, div. A, title VII, §701(a), Jan. 28, 2008, 122 Stat. 187; Pub. L. 110-417, [div. A], title VII, §701(a), Oct. 14, 2008, 122 Stat. 4498; Pub. L. 111-383, div. A, title VII, §701(a), Jan. 7, 2011, 124 Stat. 4244; Pub. L. 112-81, div. A, title VII, §701(a), Dec. 31, 2011, 125 Stat. 1469.)

AMENDMENTS

2011—Subsec. (e). Pub. L. 112-81 designated existing provisions as par. (1), substituted “Except as provided by paragraph (2), a premium,” for “A premium,” and added par. (2).

Subsec. (e). Pub. L. 111-383 substituted “September 30, 2011” for “September 30, 2009”.

2008—Subsec. (e). Pub. L. 110-417 substituted “September 30, 2009” for “September 30, 2008”.

Pub. L. 110-181 substituted “September 30, 2008” for “September 30, 2007”.

2006—Subsec. (e). Pub. L. 109-364 inserted at end “A premium, deductible, copayment, or other charge prescribed by the Secretary under this subsection may not be increased during the period beginning on April 1, 2006, and ending on September 30, 2007.”

1996—Subsec. (c). Pub. L. 104-106, §712, substituted “Notwithstanding the preferences established by sections 1074(b) and 1076 of this title, the Secretary shall” for “However, the Secretary may”.

Subsec. (e). Pub. L. 104-106, §713, inserted at end “Without imposing additional costs on covered beneficiaries who participate in contracts for health care services under this section or health care plans offered under section 1099 of this title, the Secretary shall permit such covered beneficiaries to pay, on a quarterly basis, any enrollment fee required for such participation.”

1994—Subsec. (c). Pub. L. 103-337, §714(a)(2), added subsec. (c). Former subsec. (c) redesignated (e).

Pub. L. 103-337, §713, inserted at end “In the case of contracts for health care services under this section or health care plans offered under section 1099 of this title for which the Secretary permits covered beneficiaries who are covered by section 1086 of this title and who participate in such contracts or plans to pay an enrollment fee in lieu of meeting the applicable deductible amount specified in section 1086(b) of this title, the Secretary may establish the same (or a lower) enrollment fee for covered beneficiaries described in section

1086(d)(1) of this title who also participate in such contracts or plans.”

Subsecs. (d), (e). Pub. L. 103-337, §714(a), added subsec. (d) and redesignated former subsec. (c) as (e).

CLARIFICATION OF APPLICATION FOR FISCAL YEAR 2013

Pub. L. 112-81, div. A, title VII, §701(b), Dec. 31, 2011, 125 Stat. 1469, provided that: “The Secretary of Defense shall determine the maximum enrollment fees for TRICARE Prime under section 1097(e)(2) of title 10, United States Code, as added by subsection (a), for fiscal year 2013 and thereafter as if the enrollment fee for each enrollee during fiscal year 2012 was the amount charged to an enrollee who enrolled for the first time during such fiscal year.”

§ 1097a. TRICARE Prime: automatic enrollments; payment options

(a) AUTOMATIC ENROLLMENT OF CERTAIN DEPENDENTS.—Each dependent of a member of the uniformed services in grade E4 or below who is entitled to medical and dental care under section 1076(a)(2)(A) of this title and resides in the catchment area of a facility of a uniformed service offering TRICARE Prime shall be automatically enrolled in TRICARE Prime at the facility. The Secretary concerned shall provide written notice of the enrollment to the member. The enrollment of a dependent of the member may be terminated by the member or the dependent at any time.

(b) AUTOMATIC RENEWAL OF ENROLLMENTS OF COVERED BENEFICIARIES.—(1) An enrollment of a covered beneficiary in TRICARE Prime shall be automatically renewed upon the expiration of the enrollment unless the renewal is declined.

(2) Not later than 15 days before the expiration date for an enrollment of a covered beneficiary in TRICARE Prime, the Secretary concerned shall—

(A) transmit a written notification of the pending expiration and renewal of enrollment to the covered beneficiary or, in the case of a dependent of a member of the uniformed services, to the member; and

(B) afford the beneficiary or member, as the case may be, an opportunity to decline the renewal of enrollment.

(c) PAYMENT OPTIONS FOR RETIREES.—A member or former member of the uniformed services eligible for medical care and dental care under section 1074(b) of this title may elect to have any fee payable by the member or former member for an enrollment in TRICARE Prime withheld from the member’s retired pay, retainer pay, or equivalent pay, as the case may be, or to be paid from a financial institution through electronic transfers of funds. The fee shall be paid in accordance with the election. A member may elect under this section to pay the fee in full at the beginning of the enrollment period or to make payments on a monthly or quarterly basis.

(d) REGULATIONS AND EXCEPTIONS.—The Secretary of Defense shall prescribe regulations, including procedures, to carry out this section. Regulations prescribed to carry out the automatic enrollment requirements under this section may include such exceptions to the automatic enrollment procedures as the Secretary determines appropriate for the effective operation of TRICARE Prime.

(e) NO COPAYMENT FOR IMMEDIATE FAMILY.—No copayment shall be charged a member for care provided under TRICARE Prime to a dependent of a member of the uniformed services described in subparagraph (A), (D), or (I) of section 1072(2) of this title.

(f) DEFINITIONS.—In this section:

(1) The term “TRICARE Prime” means the managed care option of the TRICARE program.

(2) The term “catchment area”, with respect to a facility of a uniformed service, means the service area of the facility, as designated under regulations prescribed by the administering Secretaries.

(Added Pub. L. 105-261, div. A, title VII, §712(a)(1), Oct. 17, 1998, 112 Stat. 2058; amended Pub. L. 106-398, §1 [[div. A], title VII, §752(a)], Oct. 30, 2000, 114 Stat. 1654, 1654A-195; Pub. L. 107-107, div. A, title X, §1048(a)(11), Dec. 28, 2001, 115 Stat. 1223.)

AMENDMENTS

2001—Subsec. (e). Pub. L. 107-107 substituted “section 1072(2)” for “section 1072”.

2000—Subsecs. (e), (f). Pub. L. 106-398 added subsec. (e) and redesignated former subsec. (e) as (f).

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-398, §1 [[div. A], title VII, §752(b)], Oct. 30, 2000, 114 Stat. 1654, 1654A-195, provided that: “The amendments made by subsection (a) [amending this section] shall take effect 180 days after the date of the enactment of this Act [Oct. 30, 2000], and shall apply with respect to care provided on or after that date.”

EFFECTIVE DATE

Pub. L. 105-261, div. A, title VII, §712(b), Oct. 17, 1998, 112 Stat. 2059, provided that: “The regulations required under subsection (d) of section 1097a of title 10, United States Code (as added by subsection (a)), shall be prescribed to take effect not later than September 30, 1999. The section shall be applied under TRICARE Prime on and after the date on which the regulations take effect.”

§ 1097b. TRICARE program: financial management

(a) REIMBURSEMENT OF PROVIDERS.—(1) Subject to paragraph (2), the Secretary of Defense may reimburse health care providers under the TRICARE program at rates higher than the reimbursement rates otherwise authorized for the providers under that program if the Secretary determines that application of the higher rates is necessary in order to ensure the availability of an adequate number of qualified health care providers under that program.

(2) The amount of reimbursement provided under paragraph (1) with respect to a health care service may not exceed the lesser of the following:

(A) The amount equal to the local fee for service charge for the service in the service area in which the service is provided as determined by the Secretary based on one or more of the following payment rates:

- (i) Usual, customary, and reasonable.
- (ii) The Health Care Finance Administration’s Resource Based Relative Value Scale.
- (iii) Negotiated fee schedules.
- (iv) Global fees.

(v) Sliding scale individual fee allowances.

(B) The amount equal to 115 percent of the CHAMPUS maximum allowable charge for the service.

(3) In establishing rates and procedures for reimbursement of providers and other administrative requirements, including those contained in provider network agreements, the Secretary shall, to the extent practicable, maintain adequate networks of providers, including institutional, professional, and pharmacy. For the purpose of determining whether network providers under such provider network agreements are subcontractors for purposes of the Federal Acquisition Regulation or any other law, a TRICARE managed care support contract that includes the requirement to establish, manage, or maintain a network of providers may not be considered to be a contract for the performance of health care services or supplies on the basis of such requirement.

(b) THIRD-PARTY COLLECTIONS.—(1) A medical treatment facility of the uniformed services under the TRICARE program has the same right as the United States under section 1095 of this title to collect from a third-party payer the reasonable charges for health care services described in paragraph (2) that are incurred by the facility on behalf of a covered beneficiary under that program.

(2) The Secretary of Defense shall prescribe regulations for the administration of this subsection. The regulations shall set forth the method to be used for the computation of the reasonable charges for inpatient, outpatient, and other health care services. The method of computation may be—

(A) a method that is based on—

- (i) per diem rates;
- (ii) all-inclusive rates for each visit;
- (iii) diagnosis-related groups; or
- (iv) rates prescribed under the regulations implementing sections 1079 and 1086 of this title; or

(B) any other method considered appropriate.

(c) CONSULTATION REQUIREMENT.—The Secretary of Defense shall carry out the responsibilities under this section after consultation with the other administering Secretaries.

(Added Pub. L. 106-65, div. A, title VII, §716(a)(1), Oct. 5, 1999, 113 Stat. 690; amended Pub. L. 112-81, div. A, title VII, §715, Dec. 31, 2011, 125 Stat. 1477.)

AMENDMENTS

2011—Subsec. (a)(3). Pub. L. 112-81 added par. (3).

EFFECTIVE DATE

Pub. L. 106-65, div. A, title VII, §716(d), Oct. 5, 1999, 113 Stat. 692, provided that: “The amendments made by subsection (a) [enacting this section] shall take effect one year after the date of the enactment of this Act [Oct. 5, 1999].”

REPORT ON IMPLEMENTATION

Pub. L. 106-65, div. A, title VII, §716(b), Oct. 5, 1999, 113 Stat. 691, directed the Secretary of Defense to submit to Congress a report assessing the effects of the implementation of the requirements and authorities set