

or dental care delegated to Secretary of Health and Human Services in respect of such care in a facility under his jurisdiction and to Secretary of Defense in respect of such care in a facility of an armed force under jurisdiction of a military department, see section 6 of Ex. Ord. No. 11609, July 22, 1971, 36 F.R. 13747, set out as a note under section 301 of Title 3, The President.

§ 1086. Contracts for health benefits for certain members, former members, and their dependents

(a) To assure that health benefits are available for the persons covered by subsection (c), the Secretary of Defense, after consulting with the other administering Secretaries, shall contract under the authority of this section for health benefits for those persons under the same insurance, medical service, or health plans he contracts for under section 1079(a) of this title. However, eye examinations may not be provided under such plans for persons covered by subsection (c).

(b) For persons covered by this section the plans contracted for under section 1079(a) of this title shall contain the following provisions for payment by the patient:

(1) Except as provided in paragraph (2), the first \$150 each fiscal year of the charges for all types of care authorized by this section and received while in an outpatient status and 25 percent of all subsequent charges for such care during a fiscal year.

(2) A family group of two or more persons covered by this section shall not be required to pay collectively more than the first \$300 each fiscal year of the charges for all types of care authorized by this section and received while in an outpatient status and 25 percent of the additional charges for such care during a fiscal year.

(3) 25 percent of the charges for inpatient care, except that in no case may the charges for inpatient care for a patient exceed \$535 per day during the period beginning on April 1, 2006, and ending on September 30, 2011. The Secretary of Defense may exempt a patient from paying such charges if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care.

(4) A member or former member of a uniformed service covered by this section by reason of section 1074(b) of this title, or an individual or family group of two or more persons covered by this section, may not be required to pay a total of more than \$3,000 for health care received during any fiscal year under a plan contracted for under section 1079(a) of this title.

(c) Except as provided in subsection (d), the following persons are eligible for health benefits under this section:

(1) Those covered by sections 1074(b) and 1076(b) of this title, except those covered by section 1072(2)(E) of this title.

(2) A dependent (other than a dependent covered by section 1072(2)(E) of this title) of a member of a uniformed service—

(A) who died while on active duty for a period of more than 30 days; or

(B) who died from an injury, illness, or disease incurred or aggravated—

(i) while on active duty under a call or order to active duty of 30 days or less, on active duty for training, or on inactive duty training; or

(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.

(3) A dependent covered by clause (F), (G), or (H) of section 1072(2) of this title who is not eligible under paragraph (1).

(d)(1) A person who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) is not eligible for health benefits under this section.

(2) The prohibition contained in paragraph (1) shall not apply to a person referred to in subsection (c) who—

(A) is enrolled in the supplementary medical insurance program under part B of such title (42 U.S.C. 1395j et seq.); and

(B) in the case of a person under 65 years of age, is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)) or section 226A(a) of such Act (42 U.S.C. 426-1(a)).

(3)(A) Subject to subparagraph (B), if a person described in paragraph (2) receives medical or dental care for which payment may be made under medicare and a plan contracted for under subsection (a), the amount payable for that care under the plan shall be the amount of the actual out-of-pocket costs incurred by the person for that care over the sum of—

(i) the amount paid for that care under medicare; and

(ii) the total of all amounts paid or payable by third party payers other than medicare.

(B) The amount payable for care under a plan pursuant to subparagraph (A) may not exceed the total amount that would be paid under the plan if payment for that care were made solely under the plan.

(C) In this paragraph:

(i) The term “medicare” means title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(ii) The term “third party payer” has the meaning given such term in section 1095(h)(1) of this title.

(4)(A) If a person referred to in subsection (c) and described by paragraph (2)(B) is subject to a retroactive determination by the Social Security Administration of entitlement to hospital insurance benefits described in paragraph (1), the person shall, during the period described in subparagraph (B), be deemed for purposes of health benefits under this section—

(i) not to have been covered by paragraph (1); and

(ii) not to have been subject to the requirements of section 1079(i)(1) of this title, whether through the operation of such section or subsection (g) of this section.

(B) The period described in this subparagraph with respect to a person covered by subparagraph (A) is the period that—

(i) begins on the date that eligibility of the person for hospital insurance benefits referred to in paragraph (1) is effective under the retroactive determination of eligibility with respect to the person as described in subparagraph (A); and

(ii) ends on the date of the issuance of such retroactive determination of eligibility by the Social Security Administration.

(5) The administering Secretaries shall develop a mechanism by which persons described in subparagraph (B) of paragraph (2) who do not satisfy the condition specified in subparagraph (A) of such paragraph are promptly notified of their ineligibility for health benefits under this section. In developing the notification mechanism, the administering Secretaries shall consult with the Administrator of the Centers for Medicare & Medicaid Services.

(e) A person covered by this section may elect to receive inpatient medical care either in (1) Government facilities, under the conditions prescribed in sections 1074 and 1076-1078 of this title, or (2) the facilities provided under a plan contracted for under this section. However, under joint regulations issued by the administering Secretaries, the right to make this election may be limited for those persons residing in an area where adequate facilities of the uniformed service are available. In addition, subsections (b) and (c) of section 1080 of this title shall apply in making the determination whether to issue a nonavailability of health care statement for a person covered by this section.

(f) The provisions of section 1079(h) of this title shall apply to payments for services by an individual health-care professional (or other noninstitutional health-care provider) under a plan contracted for under subsection (a).

(g) Section 1079(i) of this title shall apply to a plan contracted for under this section, except that no person eligible for health benefits under this section may be denied benefits under this section with respect to care or treatment for any service-connected disability which is compensable under chapter 11 of title 38 solely on the basis that such person is entitled to care or treatment for such disability in facilities of the Department of Veterans Affairs.

(h)(1) Subject to paragraph (2), the Secretary of Defense may, upon request, make payments under this section for a charge for services for which a claim is submitted under a plan contracted for under subsection (a) to a hospital that does not impose a legal obligation on any of its patients to pay for such services.

(2) A payment under paragraph (1) may not exceed the average amount paid for comparable services in the geographic area in which the hospital is located or, if no comparable services are available in that area, in an area similar to the area in which the hospital is located.

(3) The Secretary of Defense shall periodically review the billing practices of each hospital the Secretary approves for payment under this subsection to ensure that the hospital's practices of not billing patients for payment are not resulting in increased costs to the Government.

(4) The Secretary of Defense may require each hospital the Secretary approves for payment under this subsection to provide evidence that it has sources of revenue to cover unbilled costs.

(Added Pub. L. 89-614, §2(7), Sept. 30, 1966, 80 Stat. 865; amended Pub. L. 95-485, title VIII, §806(a)(2), Oct. 20, 1978, 92 Stat. 1622; Pub. L. 96-173, §1, Dec. 29, 1979, 93 Stat. 1287; Pub. L. 96-513, title V, §§501(14), 511(36), (39), Dec. 12, 1980, 94 Stat. 2908, 2923; Pub. L. 97-86, title IX, §906(a)(2), Dec. 1, 1981, 95 Stat. 1117; Pub. L. 97-252, title X, §1004(c), Sept. 8, 1982, 96 Stat. 737; Pub. L. 98-94, title IX, §931(b), Sept. 24, 1983, 97 Stat. 649; Pub. L. 98-525, title VI, §632(a)(2), Oct. 19, 1984, 98 Stat. 2543; Pub. L. 98-557, §19(13), Oct. 30, 1984, 98 Stat. 2870; Pub. L. 99-145, title VI, §652(b), Nov. 8, 1985, 99 Stat. 657; Pub. L. 99-661, div. A, title VI, §604(f)(1)(C), Nov. 14, 1986, 100 Stat. 3877; Pub. L. 100-180, div. A, title VII, §721(b), Dec. 4, 1987, 101 Stat. 1115; Pub. L. 100-456, div. A, title VI, §646(b), Sept. 29, 1988, 102 Stat. 1989; Pub. L. 101-189, div. A, title VII, §731(c)(2), title XVI, §1621(a)(3), Nov. 29, 1989, 103 Stat. 1482, 1603; Pub. L. 101-510, div. A, title VII, §712(b), Nov. 5, 1990, 104 Stat. 1583; Pub. L. 102-190, div. A, title VII, §704(a), (b)(1), Dec. 5, 1991, 105 Stat. 1401; Pub. L. 102-484, div. A, title VII, §§703(a), 705(a), Oct. 23, 1992, 106 Stat. 2432; Pub. L. 103-35, title II, §203(b)(2), May 31, 1993, 107 Stat. 102; Pub. L. 103-160, div. A, title VII, §716(b)(2), Nov. 30, 1993, 107 Stat. 1693; Pub. L. 103-337, div. A, title VII, §711, Oct. 5, 1994, 108 Stat. 2801; Pub. L. 104-106, div. A, title VII, §732, Feb. 10, 1996, 110 Stat. 381; Pub. L. 104-201, div. A, title VII, §734(a)(2), (b)(2), Sept. 23, 1996, 110 Stat. 2598; Pub. L. 106-398, §1 [[div. A], title VII, §712(a)(1), 759], Oct. 30, 2000, 114 Stat. 1654, 1654A-176, 1654A-200; Pub. L. 108-173, title IX, §900(e)(4)(A), Dec. 8, 2003, 117 Stat. 2373; Pub. L. 109-364, div. A, title VII, §704(b), Oct. 17, 2006, 120 Stat. 2280; Pub. L. 110-181, div. A, title VII, §701(b), Jan. 28, 2008, 122 Stat. 187; Pub. L. 110-417, [div. A], title VII, §701(b), Oct. 14, 2008, 122 Stat. 4498; Pub. L. 111-84, div. A, title VII, §§706, 709, Oct. 28, 2009, 123 Stat. 2375, 2378; Pub. L. 111-383, div. A, title VII, §701(b), Jan. 7, 2011, 124 Stat. 4244; Pub. L. 112-239, div. A, title X, §1076(f)(11), Jan. 2, 2013, 126 Stat. 1952; Pub. L. 113-291, div. A, title VII, §703(c)(2), Dec. 19, 2014, 128 Stat. 3412.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (d), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title XVIII of the Act is classified generally to subchapter XVIII (§1395 et seq.) of chapter 7 of Title 42, The Public Health and Welfare. Parts A and B of title XVIII of the Act are classified generally to parts A (§1395c et seq.) and B (§1395j et seq.), respectively, of subchapter XVIII of chapter 7 of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

PRIOR PROVISIONS

A prior section 1086, act Aug. 10, 1956, ch. 1041, 70A Stat. 88, authorized the mailing of official post cards, ballots, voting instructions, and envelopes, free of postage, prior to repeal by Pub. L. 85-861, §36(B)(5), Sept. 2, 1958, 72 Stat. 1570, as superseded by the Federal Voting Assistance Act of 1955 which is classified to subchapter I-D (§1973cc et seq.) of chapter 20 of Title 42, The Public Health and Welfare.

AMENDMENTS

2014—Subsec. (d)(4)(A)(ii). Pub. L. 113-291, §703(c)(2)(A), substituted “section 1079(i)(1)” for “section 1079(j)(1)”.

Subsec. (g). Pub. L. 113-291, § 703(c)(2)(B), substituted “Section 1079(i)” for “Section 1079(j)”.

2013—Subsec. (b)(1). Pub. L. 112-239 substituted “paragraph (2)” for “clause (2)”.

2011—Subsec. (b)(3). Pub. L. 111-383 substituted “September 30, 2011” for “September 30, 2010”.

2009—Subsec. (b)(3). Pub. L. 111-84, § 709, substituted “September 30, 2010” for “September 30, 2009”.

Subsec. (d)(4), (5). Pub. L. 111-84, § 706, added par. (4) and redesignated former par. (4) as (5).

2008—Subsec. (b)(3). 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. (b)(3). Pub. L. 109-364 inserted “, except that in no case may the charges for inpatient care for a patient exceed \$535 per day during the period beginning on April 1, 2006, and ending on September 30, 2007.” after “charges for inpatient care”.

2003—Subsec. (d)(4). Pub. L. 108-173 substituted “Administrator of the Centers for Medicare & Medicaid Services” for “administrator of the Health Care Financing Administration” in last sentence.

2000—Subsec. (b)(4). Pub. L. 106-398, § 1 [[div. A], title VII, § 759], substituted “\$3,000” for “\$7,500”.

Subsec. (d)(2). Pub. L. 106-398, § 1 [[div. A], title VII, § 712(a)(1)(A)], added par. (2) and struck out former par. (2) which read as follows: “The prohibition contained in paragraph (1) shall not apply in the case of a person referred to in subsection (c) who—

“(A) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)) or section 226A(a) of such Act (42 U.S.C. 426-1(a));

“(B) is under 65 years of age; and

“(C) is enrolled in the supplementary medical insurance program under part B of such title (42 U.S.C. 1395j et seq.).”

Subsec. (d)(4). Pub. L. 106-398, § 1 [[div. A], title VII, § 712(a)(1)(B)], substituted “subparagraph (B) of paragraph (2) who do not satisfy the condition specified in subparagraph (A) of such paragraph” for “paragraph (1) who satisfy only the criteria specified in subparagraphs (A) and (B) of paragraph (2), but not subparagraph (C) of such paragraph.”

1996—Subsec. (d)(4). Pub. L. 104-106 added par. (4).

Subsec. (e). Pub. L. 104-201 substituted “inpatient medical care” for “benefits” in first sentence and “subsections (b) and (c) of section 1080” for “section 1080(b)” in last sentence.

1994—Subsec. (d)(3). Pub. L. 103-337 added par. (3) and struck out former par. (3) which read as follows: “If a person described in paragraph (2) receives medical or dental care for which payment may be made under both title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and a plan contracted for under subsection (a), the amount payable for that care under the plan may not exceed the difference between—

“(A) the sum of any deductibles, coinsurance, and balance billing charges that would be imposed on the person if payment for that care were made solely under that title; and

“(B) the sum of any deductibles, coinsurance, and balance billing charges that would be imposed on the person if payment for that care were made solely under the plan.”

1993—Subsec. (d). Pub. L. 103-35 made technical amendment to directory language of Pub. L. 102-190, § 704(a). See 1991 Amendment note below.

Subsec. (e). Pub. L. 103-160 inserted at end “In addition, section 1080(b) of this title shall apply in making the determination whether to issue a nonavailability of health care statement for a person covered by this section.”

1992—Subsec. (b)(4). Pub. L. 102-484, § 703(a), substituted “\$7,500” for “\$10,000”.

Subsec. (d)(2)(A). Pub. L. 102-484, § 705(a), inserted before semicolon “or section 226A(a) of such Act (42 U.S.C. 426-1(a))”.

1991—Subsec. (c). Pub. L. 102-190, § 704(b)(1)(A), substituted “Except as provided in subsection (d), the following” for “The following” in introductory provisions and struck out at end “However, a person who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) is not eligible for health benefits under this section.”

Subsec. (d). Pub. L. 102-190, § 704(a), as amended by Pub. L. 103-35, added subsec. (d) and struck out former subsec. (d) which read as follows: “The provisions of section 1079(j) of this title shall apply to a plan covered by this section.”

Subsec. (g). Pub. L. 102-190, § 704(b)(1)(B), substituted “Section 1079(j) of this title shall apply to a plan contracted for under this section, except that” for “Notwithstanding subsection (d) or any other provision of this chapter.”

1990—Subsec. (b)(1), (2). Pub. L. 101-510 substituted “\$150” for “\$50” in par. (1) and “\$300” for “\$100” in par. (2).

1989—Subsec. (c)(3). Pub. L. 101-189, § 731(c)(2), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “A dependent covered by section 1072(2)(F) of this title.”

Subsec. (g). Pub. L. 101-189, § 1621(a)(3), substituted “facilities of the Department of Veterans Affairs” for “Veterans’ Administration facilities”.

1988—Subsec. (b)(3). Pub. L. 100-456, § 646(b)(1), inserted provision authorizing Secretary of Defense to exempt a patient from paying such charges if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care.

Subsec. (h). Pub. L. 100-456, § 646(b)(2), added subsec. (h).

1987—Subsec. (b)(4). Pub. L. 100-180 added par. (4).

1986—Subsec. (c)(2)(B). Pub. L. 99-661 inserted reference to disease.

1985—Subsec. (c)(2). Pub. L. 99-145 amended par. (2) generally. Prior to amendment, par. (2) read as follows: “A dependent of a member of a uniformed service who died while on active duty for a period of more than thirty days, except a dependent covered by section 1072(2)(E) of this title.”

1984—Subsec. (a). Pub. L. 98-557, § 19(13)(A), substituted reference to other administering Secretaries for reference to Secretary of Health and Human Services.

Pub. L. 98-525 inserted “However, eye examinations may not be provided under such plans for persons covered by subsection (c).”

Subsec. (e). Pub. L. 98-557, § 19(13)(B), substituted reference to the administering Secretaries for reference to the Secretary of Defense and the Secretary of Health and Human Services.

1983—Subsec. (d). Pub. L. 98-94 substituted “The provisions of section 1079(j) of this title shall apply to a plan covered by this section” for “No benefits shall be payable under any plan covered by this section in the case of a person enrolled in any other insurance, medical service, or health plan provided by law or through employment unless that person certifies that the particular benefit he is claiming is not payable under the other plan”.

1982—Subsec. (c)(3). Pub. L. 97-252 added par. (3).

1981—Subsec. (f). Pub. L. 97-86 substituted “services by an individual health-care professional (or other non-institutional health-care provider)” for “physician services”.

1980—Subsec. (a). Pub. L. 96-513, § 511(36), substituted “Secretary of Health and Human Services” for “Secretary of Health, Education, and Welfare”.

Subsec. (b). Pub. L. 96-513, § 511(39)(A), substituted “percent” for “per centum” wherever appearing.

Subsec. (c). Pub. L. 96-513, §§ 501(14), 511(39)(B), substituted “section 1072(2)(E)” for “section 1072(2)(F)” in pars. (1) and (2) and, in provisions following par. (2), substituted “part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.)” for “title I of the Social Security Amendments of 1965 (79 Stat. 286)”.

1979—Subsec. (g). Pub. L. 96-173 added subsec. (g).
1978—Subsec. (f). Pub. L. 95-485 added subsec. (f).

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-398, §1 [[div. A], title VII, §712(a)(3)], Oct. 30, 2000, 114 Stat. 1654, 1654A-177, provided that: "The amendments made by paragraphs (1) and (2) [amending this section and section 1395ggg of Title 42, The Public Health and Welfare] shall take effect on October 1, 2001."

EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102-484, div. A, title VII, §703(b), Oct. 23, 1992, 106 Stat. 2432, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to fiscal years beginning after September 30, 1992."

EFFECTIVE DATE OF 1991 AMENDMENT

Pub. L. 102-190, div. A, title VII, §704(c), Dec. 5, 1991, 105 Stat. 1402, which provided that subsection (d) of this section was to apply with respect to health care benefits or services received by a person described in such subsection on or after Dec. 5, 1991, was repealed by Pub. L. 102-484, div. A, title VII, §705(c)(1), Oct. 23, 1992, 106 Stat. 2433.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101-510 applicable with respect to health care provided under this section and section 1079 of this title on or after Apr. 1, 1991, see section 712(c) of Pub. L. 101-510, set out as a note under section 1079 of this title.

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by section 731(c)(2) of Pub. L. 101-189 applicable to a person referred to in 10 U.S.C. 1072(2)(H) whose decree of divorce, dissolution, or annulment becomes final on or after Nov. 29, 1989, and to a person so referred to whose decree became final during the period from Sept. 29, 1988 to Nov. 28, 1989, as if the amendment had become effective on Sept. 29, 1988, see section 731(d) of Pub. L. 101-189, set out as a note under section 1072 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-456 applicable with respect to medical care received after September 30, 1988, see section 646(c) of Pub. L. 100-456, set out as a note under section 1079 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-180 applicable with respect to fiscal years beginning after September 30, 1987, see section 721(c) of Pub. L. 100-180, set out as a note under section 1079 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-661 applicable with respect to persons who, after Nov. 14, 1986, incur or aggravate an injury, illness, or disease or die, see section 604(g) of Pub. L. 99-661, set out as a note under section 1074a of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-145 applicable only with respect to dependents of members of the uniformed services whose deaths occur after Sept. 30, 1985, see section 652(c) of Pub. L. 99-145, set out as a note under section 1076 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-525 applicable only to health care furnished after Sept. 30, 1984, see section 632(a)(3) of Pub. L. 98-525, set out as a note under section 1079 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 98-94 effective Oct. 1, 1983, see section 931(c) of Pub. L. 98-94, set out as a note under section 1079 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT; TRANSITION PROVISIONS

Amendment by Pub. L. 97-252 effective Feb. 1, 1983, and applicable in the case of any former spouse of a member or former member of the uniformed services whether final decree of divorce, dissolution, or annulment of marriage of former spouse and such member or former member is dated before, on, or after Feb. 1, 1983, see section 1006 of Pub. L. 97-252, set out as an Effective Date; Transition Provisions note under section 1408 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-86 to apply with respect to claims submitted for payment for services provided after the end of the 30-day period beginning on Dec. 1, 1981, see section 906(b) of Pub. L. 97-86, set out as a note under section 1079 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by section 501(14) of Pub. L. 96-513 effective Sept. 15, 1981, and amendment by section 511(36), (39) of Pub. L. 96-513 effective Dec. 12, 1980, see section 701 of Pub. L. 96-513, set out as a note under section 101 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Pub. L. 96-173, §2, Dec. 29, 1979, 93 Stat. 1287, provided that: "The amendment made by the first section of this Act [amending this section] shall take effect on October 1, 1979."

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-485 applicable with respect to claims submitted for payment for services provided on or after the first day of the first calendar year beginning after Oct. 20, 1978, see section 806(b) of Pub. L. 95-485, set out as a note under section 1079 of this title.

EFFECTIVE DATE

For effective date of section, see section 3 of Pub. L. 89-614, set out as a note under section 1071 of this title.

TEMPORARY AUTHORITY FOR WAIVER OF COLLECTION OF PAYMENTS DUE FOR CHAMPUS BENEFITS RECEIVED BY CERTAIN PERSONS UNAWARE OF LOSS OF CHAMPUS ELIGIBILITY

Pub. L. 108-375, div. A, title VII, §716, Oct. 28, 2004, 118 Stat. 1986, authorized the Secretary of Defense to waive the collection of payments otherwise due for health benefits from certain persons described in subsec. (d) of this section who were unaware of the loss of eligibility to receive health benefits under such subsection and authorized a continuation of benefits for such persons during the period beginning on July 1, 1999, and ending on Dec. 31, 2004.

Similar provisions were contained in the following prior authorization acts:

Pub. L. 105-261, div. A, title VII, §704, Oct. 17, 1998, 112 Stat. 2057.

Pub. L. 104-106, div. A, title VII, §743, Feb. 10, 1996, 110 Stat. 385.

MINIMUM AMOUNT PAYABLE FOR SERVICES PROVIDED UNDER THIS SECTION

Pub. L. 103-335, title VIII, §8052, Sept. 30, 1994, 108 Stat. 2629, provided that: "Notwithstanding any other provision of law, of the funds appropriated for the Defense Health Program during this fiscal year and hereafter, the amount payable for services provided under this section shall not be less than the amount calculated under the coordination of benefits reimbursement formula utilized when CHAMPUS is a secondary payor to medical insurance programs other than Medicare, and such appropriations as necessary shall be available (notwithstanding the last sentence of section 1086(c) of title 10, United States Code) to continue Civilian Health and Medical Program of the Uniformed

Services (CHAMPUS) benefits, until age 65, under such section for a former member of a uniformed service who is entitled to retired or retainer pay or equivalent pay, or a dependent of such a member, or any other beneficiary described by section 1086(c) of title 10, United States Code, who becomes eligible for hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) [42 U.S.C. 1395c et seq.] solely on the grounds of physical disability, or end stage renal disease: *Provided*, That expenses under this section shall only be covered to the extent that such expenses are not covered under parts A and B of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq., 1395j et seq.] and are otherwise covered under CHAMPUS: *Provided further*, That no reimbursement shall be made for services provided prior to October 1, 1991.”

AUTHORIZATION TO APPLY SECTION 1079 PAYMENT RULES FOR SPOUSE AND CHILDREN OF MEMBER WHO DIES WHILE ON ACTIVE DUTY

Pub. L. 103-160, div. A, title VII, §704, Nov. 30, 1993, 107 Stat. 1687, provided that in the case of an eligible dependent of a member of a uniformed service who died while on active duty for a period of more than 30 days, the administering Secretary could apply the payment provisions set forth in section 1079(b) of this title (in lieu of the payment provisions set forth in section 1086(b) of this title), with respect to health benefits received by the dependent under such section 1086 in connection with an illness or medical condition for which the dependent was receiving treatment under chapter 55 of this title at time of death of the member, prior to repeal by Pub. L. 103-337, div. A, title VII, §707(d), Oct. 5, 1994, 108 Stat. 2801.

[Pub. L. 103-337, div. A, title VII, §707(d), Oct. 5, 1994, 108 Stat. 2801, provided in part that: “The repeal of such section [section 704 of Pub. L. 103-160, formerly set out above] shall not terminate the special payment rules provided in such section with respect to any person eligible for such payment rules on the date of the enactment of this Act [Oct. 5, 1994].”]

COVERAGE OF CARE PROVIDED SINCE SEPTEMBER 30, 1991

Pub. L. 102-484, div. A, title VII, §705(b), Oct. 23, 1992, 106 Stat. 2433, provided that: “Subsection (d) of section 1086 of title 10, United States Code, as added by section 704(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1401) and amended by subsection (a) of this section, shall apply with respect to health care benefits or services received after September 30, 1991, by a person described in subsection (d)(2) of such section 1086 if such benefits or services would have been covered under a plan contracted for under such section 1086.”

§ 1086a. Certain former spouses: extension of period of eligibility for health benefits

(a) AVAILABILITY OF CONVERSION HEALTH POLICIES.—The Secretary of Defense shall inform each person who has been a dependent for a period of one year or more under section 1072(2)(H) of this title of the availability of a conversion health policy for purchase by the person. A conversion health policy offered under this subsection shall provide coverage for not less than a 24-month period.

(b) EFFECT OF PURCHASE.—(1) Subject to paragraph (2), if a person who is a dependent for a one-year period under section 1072(2)(H) of this title purchases a conversion health policy within that period (or within a reasonable time after that period as prescribed by the Secretary of Defense), the person shall continue to be eligible for medical and dental care in the manner de-

scribed in section 1076 of this title and health benefits under section 1086 of this title until the end of the 24-month period beginning on the later of—

(A) the date the person is no longer a dependent under section 1072(2)(H) of this title; and

(B) the date of the purchase of the policy.

(2) The extended period of eligibility provided under paragraph (1) shall apply only with regard to a condition of the person that—

(A) exists on the date on which coverage under the conversion health policy begins; and

(B) for which care is not provided under the policy solely on the grounds that the condition is a preexisting condition.

(c) EFFECT OF UNAVAILABILITY OF POLICIES.—

(1) If the Secretary of Defense is unable, within a reasonable time, to enter into a contract with a private insurer to offer conversion health policies under subsection (a) at a rate not to exceed the payment required under section 8905a(d)(1)(A) of title 5 for comparable coverage, the Secretary shall provide the coverage required under such a policy through the Civilian Health and Medical Program of the Uniformed Services. Subject to paragraph (2), a person receiving coverage under this subsection shall be required to pay into the Military Health Care Account or other appropriate account an amount equal to the sum of—

(A) the individual and Government contributions which would be required in the case of a person enrolled in a health benefits plan contracted for under section 1079 of this title; and

(B) an amount necessary for administrative expenses, but not to exceed two percent of the amount under subparagraph (A).

(2) The amount paid by a person who purchases a conversion health policy from the Secretary of Defense under paragraph (1) may not exceed the payment required under section 8905a(d)(1)(A) of title 5 for comparable coverage.

(3) In order to reduce premiums required under paragraph (1), the Secretary of Defense may offer a program of coverage that, with respect to mental health services, offers reduced coverage and increased cost-sharing by the purchaser.

(d) CONVERSION HEALTH POLICY DEFINED.—In this section, the term “conversion health policy” means a health insurance policy with a private insurer, developed through negotiations between the Secretary of Defense and the private insurer, that is available for purchase by or for the use of a person who is a dependent for a one-year period under section 1072(2)(H) of this title.

(Added Pub. L. 101-189, div. A, title VII, §731(b)(1), Nov. 29, 1989, 103 Stat. 1482; amended Pub. L. 102-484, div. D, title XLIV, §4407(b), Oct. 23, 1992, 106 Stat. 2707; Pub. L. 103-35, title II, §202(a)(16), May 31, 1993, 107 Stat. 102.)

AMENDMENTS

1993—Subsec. (b)(1). Pub. L. 103-35 made technical amendment to directory language of Pub. L. 102-484, §4407(b)(2). See 1992 Amendment note below.

1992—Subsec. (a). Pub. L. 102-484, §4407(b)(1), inserted at end “A conversion health policy offered under this subsection shall provide coverage for not less than a 24-month period.”