''(1) deliver high quality health care as measured by leading national health quality measurement organizations;

''(2) achieve greater efficiency in the delivery of health care by identifying and implementing within each such system improvement opportunities that guide patients through the entire continuum of care, thereby reducing variations in the delivery of health care and preventing medical errors and duplication of medical services;

''(3) improve population-based health outcomes by using a team approach to deliver case management, prevention, and wellness services to high-need and high-cost patients;

''(4) focus on preventive care that emphasizes—

''(A) early detection and timely treatment of disease;

''(B) periodic health screenings; and

''(C) education regarding healthy lifestyle behaviors;

''(5) coordinate and integrate health care across the continuum of care, connecting all aspects of the health care received by the patient, including the patient's health care team;

''(6) facilitate access to health care providers, including—

''(A) after-hours care;

''(B) urgent care; and

''(C) through telehealth appointments, when appropriate;

''(7) encourage patients to participate in making health care decisions;

''(8) use evidence-based treatment protocols that improve the consistency of health care and eliminate ineffective, wasteful health care practices; and

''(9) improve coordination of behavioral health services with primary health care.

''(c) AGREEMENTS.—

''(1) IN GENERAL.—In establishing military-civilian integrated health delivery systems through partnerships under subsection (a), the Secretary shall seek to enter into memoranda of understanding or contracts between military treatment facilities and health maintenance organizations, health care centers of excellence, public or private academic medical institutions, regional health organizations, integrated health systems, accountable care organizations, and such other health systems as the Secretary considers appropriate.

''(2) PRIVATE SECTOR CARE.—Memoranda of understanding and contracts entered into under paragraph (1) shall ensure that covered beneficiaries are eligible to enroll in and receive medical services under the private sector components of military-civilian integrated health delivery systems established under subsection (a).

''(3) VALUE-BASED REIMBURSEMENT METHODOLOGIES.—The Secretary shall incorporate value-based reimbursement methodologies, such as capitated payments, bundled payments, or pay for performance, into memoranda of understanding and contracts entered into under paragraph (1) to reimburse entities for medical services provided to covered beneficiaries under such memoranda of understanding and contracts.

''(4) QUALITY OF CARE.—Each memorandum of understanding or contract entered into under paragraph (1) shall ensure that the quality of services received by covered beneficiaries through a military-civilian integrated health delivery system under such memorandum of understanding or contract is at least comparable to the quality of services received by covered beneficiaries from a military treatment facility.

''(d) COVERED BENEFICIARY DEFINED.—In this section, the term 'covered beneficiary' has the meaning given that term in section 1072 of title 10, United States Code.''

§ 1097. Contracts for medical care for retirees, dependents, and survivors: alternative delivery of health care

(a) IN GENERAL.—The Secretary of Defense, after consulting with the other administering Secretaries, may contract for the delivery of health care to which covered beneficiaries are entitled under this chapter. The Secretary may enter into a contract under this section with any of the following:

(1) Health maintenance organizations.

(2) Preferred provider organizations.

(3) Individual providers, individual medical facilities, or insurers.

(4) Consortiums of such providers, facilities, or insurers.

(b) SCOPE OF COVERAGE UNDER HEALTH CARE PLANS.—A contract entered into under this section may provide for the delivery of—

(1) selected health care services;

(2) total health care services for selected covered beneficiaries; or

(3) total health care services for all covered beneficiaries who reside in a geographical area designated by the Secretary.

(c) COORDINATION WITH FACILITIES OF THE UNIFORMED SERVICES.—The Secretary of Defense may provide for the coordination of health care services provided pursuant to any contract or agreement under this section with those services provided in medical treatment facilities of the uniformed services. Subject to the availability of space and facilities and the capabilities of the medical or dental staff, the Secretary may not deny access to facilities of the uniformed services to a covered beneficiary on the basis of whether the beneficiary enrolled or declined enrollment in any program established under, or operating in connection with, any contract under this section. Notwithstanding the preferences established by sections 1074(b) and 1076 of this title, the Secretary shall, as an incentive for enrollment, establish reasonable preferences for services in facilities of the uniformed services for covered beneficiaries enrolled in any program established under, or operating in connection with, any contract under this section.

(d) COORDINATION WITH OTHER HEALTH CARE PROGRAMS.—In the case of a covered beneficiary who is enrolled in a managed health care program not operated under the authority of this chapter, the Secretary may contract under this section with such other managed health care program for the purpose of coordinating the beneficiary's dual entitlements under such program and this chapter. A managed health care program with which arrangements may be made under this subsection includes any health maintenance organization, competitive medical plan, health care prepayment plan, or other managed care program recognized pursuant to regulations issued by the Secretary.

(e) CHARGES FOR HEALTH CARE.—(1) The Secretary of Defense may prescribe by regulation a premium, deductible, copayment, or other charge for health care provided under this section. 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. 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

(a) AUTOMATIC ENROLLMENT OF CERTAIN DEPENDENTS.—(1) In the case of a dependent of a member of the uniformed services who is entitled to medical and dental care under section 1076(a)(2)(A) of this title and resides in a catchment area in which TRICARE Prime is offered, the Secretary—

(A) shall automatically enroll the dependent in TRICARE Prime if the member is in pay grade E–4 or below; and

(B) may automatically enroll the dependent in TRICARE Prime if the member is in pay grade E–5 or higher.

(2) Whenever a dependent of a member is enrolled in TRICARE Prime under paragraph (1), the Secretary concerned shall provide written notice of the enrollment to the member.

(3) 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.—An enrollment of a covered beneficiary in TRICARE Prime shall be automatically renewed upon the expiration of the enrollment unless the renewal is declined.

(c) 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.

(d) 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.

(e) 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.