



Highlights of [GAO-07-48](#), a report to congressional committees

## Why GAO Did This Study

The Department of Defense (DOD) provides health care through its TRICARE program. Under TRICARE, beneficiaries may obtain care through a managed care option that requires enrollment and the use of civilian provider networks, which are developed and managed by contractors. Beneficiaries who do not enroll may receive care through TRICARE Standard, a fee-for-service option, using nonnetwork civilian providers or through TRICARE Extra, a preferred provider organization option, using network civilian providers. Nonenrolled beneficiaries in some locations have reported difficulties finding civilian providers who will accept them as patients.

The National Defense Authorization Act (NDAA) for fiscal year 2004 directed GAO to provide information on access to care for nonenrolled TRICARE beneficiaries. This report describes (1) how DOD and its contractors evaluate nonenrolled beneficiaries' access to care and the results of these evaluations; (2) impediments to civilian provider acceptance of nonenrolled beneficiaries, and how they are being addressed; and (3) how DOD has implemented the NDAA fiscal year 2004 requirements to take actions to ensure nonenrolled beneficiaries' access to care. To address these objectives, GAO examined DOD's survey results and DOD and contractor documents and interviewed DOD and contractor officials.

[www.gao.gov/cgi-bin/getrpt?GAO-07-48](http://www.gao.gov/cgi-bin/getrpt?GAO-07-48).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Marcia Crosse at (202) 512-7119 or [crossem@gao.gov](mailto:crossem@gao.gov).

## DEFENSE HEALTH CARE

# Access to Care for Beneficiaries Who Have Not Enrolled in TRICARE's Managed Care Option

## What GAO Found

DOD and contractor officials use various methods to evaluate access to care, and according to these officials, their methods indicate that access is generally sufficient for nonenrolled beneficiaries. For example, in its 2005 survey of civilian providers DOD found that 14 percent of civilian providers surveyed in 20 states were not accepting new patients from any health plan. Of those accepting new patients, about 80 percent would accept nonenrolled TRICARE beneficiaries as new patients. DOD's contractors use various methods to monitor access to care. While these methods were not designed specifically to evaluate access for nonenrolled beneficiaries, they provide information that allows contractors to monitor the availability of both network and nonnetwork civilian providers for this population. According to contractor officials, their measures indicate that nonenrolled beneficiaries' access to care is sufficient overall.

DOD, its contractors, and beneficiary and provider representatives cited various factors as impediments to network and nonnetwork civilian providers' acceptance of nonenrolled TRICARE beneficiaries and ways to address them. These impediments include concerns specific to TRICARE, including reimbursement rates and administrative issues, as well as issues not specific to TRICARE, such as providers without sufficient practice capacity for additional patients. DOD and its contractors have specific ways to address impediments related to reimbursement rates and administrative issues, but issues that are not specific to TRICARE are more difficult to resolve. For example, DOD has authority to increase reimbursement rates for network and nonnetwork civilian providers in areas where access to care has been impaired. Furthermore, other impediments not specific to TRICARE, such as provider practices at capacity and few providers in geographically remote locations, cannot be readily resolved and create access difficulties for all local residents, including TRICARE beneficiaries.

Various DOD offices as well as DOD's contractors are already carrying out the responsibilities outlined by the NDAA for fiscal year 2004—such as educating civilian providers and recommending reimbursement rate adjustments—actions that help ensure nonenrolled beneficiaries' access. However, a senior official was not formally designated to have responsibility for these mandated actions.

DOD commented on the report, stating that GAO's approach was insightful, but disagreeing with GAO's finding that a senior official was not formally designated to be responsible for taking actions to ensure TRICARE beneficiaries' access to care as outlined in the NDAA. DOD said that an existing directive designating a senior official to serve as program manager for TRICARE met this requirement. However, the directive does not specifically designate an official responsible for ensuring access as specified in the NDAA. Nor did DOD take other actions to designate that a senior official have such responsibilities.