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# 1999 TRICARE Stakeholders' Report



***A Report to the People  
Who Care About TRICARE***



# Letter to Stakeholders



*TRICARE, the Department of Defense's health care program for nearly 8.3 million active duty service members and their families, eligible retirees and their family members, and survivors is now operational worldwide. Our mission is to assure the highest quality of care possible for our beneficiaries.*

*TRICARE delivers quality health care by military health care providers supplemented by networks of civilian providers to meet the needs of our beneficiaries around the globe. This TRICARE Stakeholders' Report provides a snapshot of how TRICARE is working. We hope that it will serve as a reference document for you to learn more about TRICARE.*

*As you will see, TRICARE has much to offer our beneficiaries, including choice of health plans, preventive health care services, and continuity of care. TRICARE compares favorably to civilian health care plans, both in terms of out-of-pocket costs to beneficiaries and access to care. We are continually seeking ways to make TRICARE better and more convenient for our beneficiaries, and more attractive to providers. We are listening to the views of you – our customers and stakeholders – on how to make TRICARE one of the premier health programs in America. The men and women who serve and have served our country, and their families and survivors deserve the very best health care available – and that is the goal of TRICARE.*

A handwritten signature in black ink that reads "Dr. Sue Bailey". The signature is fluid and cursive.

Dr. Sue Bailey  
Assistant Secretary of Defense  
(Health Affairs)

A handwritten signature in black ink that reads "H. James T. Sears". The signature is fluid and cursive.

H. James T. Sears, M.D.  
Executive Director  
TRICARE Management Activity

This report will describe TRICARE's performance in three critically-important areas:

**Access, Quality, and Cost**

which contribute to

**Customer Satisfaction**



## Taking TRICARE's Temperature

We'll use three main sources of information to assess the performance of TRICARE:

- √ Annual Health Care Survey of DoD Beneficiaries, A Congressionally-directed survey that asks beneficiaries to comment on the availability of health services, and their level of satisfaction with health services
- √ "Evaluation of the TRICARE Program: FY 1998 Report to Congress", an independent, Congressionally-directed study by the Center for Naval Analyses/Institute for Defense Analyses, September 1998
- √ Feedback from Beneficiaries

# Improving Access to Health Care

## **Prime Access Standards Now in Place**

- ◆ Urgent Care: 1 day or less
- ◆ Waiting room time during provider's office visit: 30 minutes or less
- ◆ Minor illness care: 1 week
- ◆ Travel time to primary care provider's office: 30 minutes or less



## **A Week in the Life of the Military Health System**

Eligible Beneficiaries	8,300,000
Prime Enrollees	3,300,000

• Admissions	10,000
• Outpatient Visits	898,000
• Prescriptions	1,870,000
• Births	1,800
• Dental Procedures	674,000
• Claims Processed	519,000
• Telephone Calls	368,000

## **Independent Analysis Shows Improvement**

### **Changes in Access to Health Care in Northwest**

#### **Access**

- Use of preventive care increased
- Use of the emergency room decreased

#### **Availability**

- Getting care when needed increased

#### **Process of Obtaining Care**

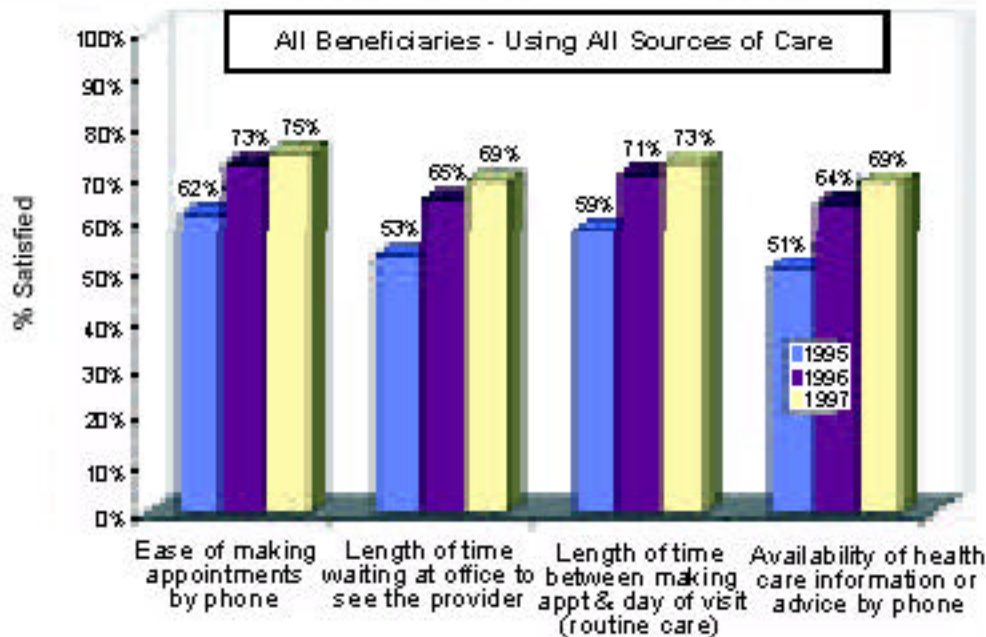
- Satisfaction with ease of making an appointment increased
- Wait times for appointments decreased

**Source:** Center for Naval Analyses/Institute for Defense Analyses (CNA/IDA), *Congressionally-Directed Evaluation of Northwest Region (Washington, Oregon, Region 11), September 1998*



# Beneficiary Survey Results Show Solid Improvement

## Getting the Job Done for Beneficiaries



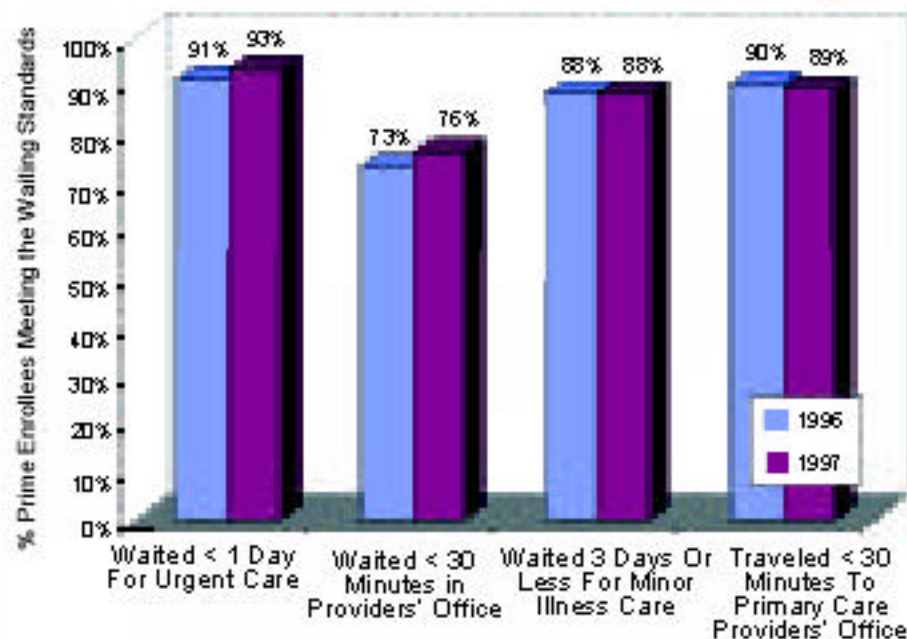
Source: 1995-1997 Annual Health Care Survey of DoD Beneficiaries

Access

# TRICARE Meeting Prime Access Standards

## All Sources of Care in Mature Regions

In regions where TRICARE has been in place long enough to compare "before and after TRICARE" access data, the results have been impressive.



Source: 1996-1997 Annual Health Care Survey of DoD Beneficiaries

# “Health Plan Costs to Soar This Year”

USA Today 6 January 1999

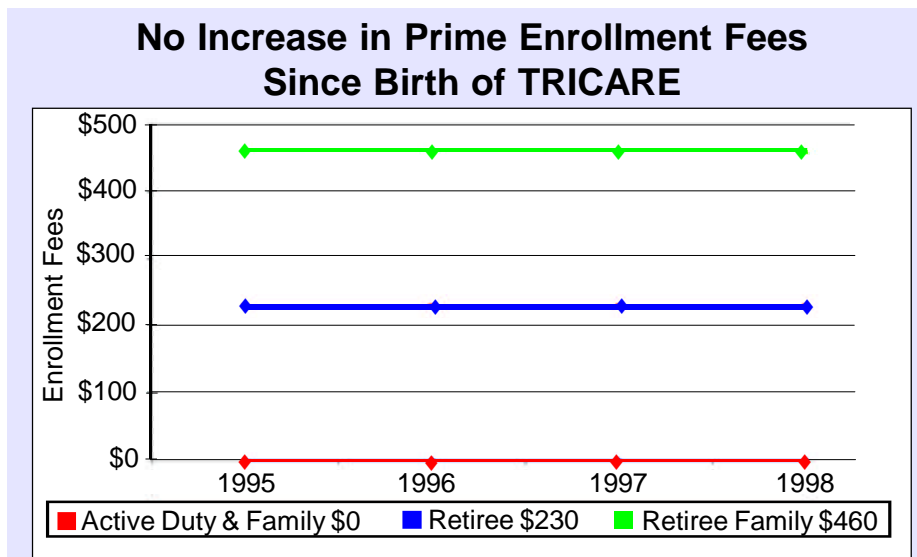
“Analysts expect rates to rise 7% to 11% (in the year 2000) for large companies, about the same as this year.”

Among midsize firms, premiums this year rose as much as 20%  
(USA Today 13 June 1999)

## But not so with TRICARE

TRICARE has maintained stable enrollment fees since its inception.

TRICARE Standard (CHAMPUS) deductibles have not increased since 1992.



## Independent Analysis Confirms... No Increase in Cost

CNA/IDA Study concluded that in the Northwest region, TRICARE met its cost containment objectives in FY 1996.

Cost

# Excellence in Quality

*The World's Best Health Care for the World's Best Military*

## TRICARE Leads the Way Patient Bill of Rights

- ◆ Emphasizes the patient's individual rights and responsibilities as a customer of the DoD health care system
- ◆ TRICARE is in compliance with the Bill of Rights
- ◆ Areas targeted for improvement in CY 99:
  - Wider use of specialty providers as PCMs
  - No "gag" clauses -- ensure all contractors are in compliance with provisions for full disclosure
- ◆ TRICARE is setting the standard for health care in America

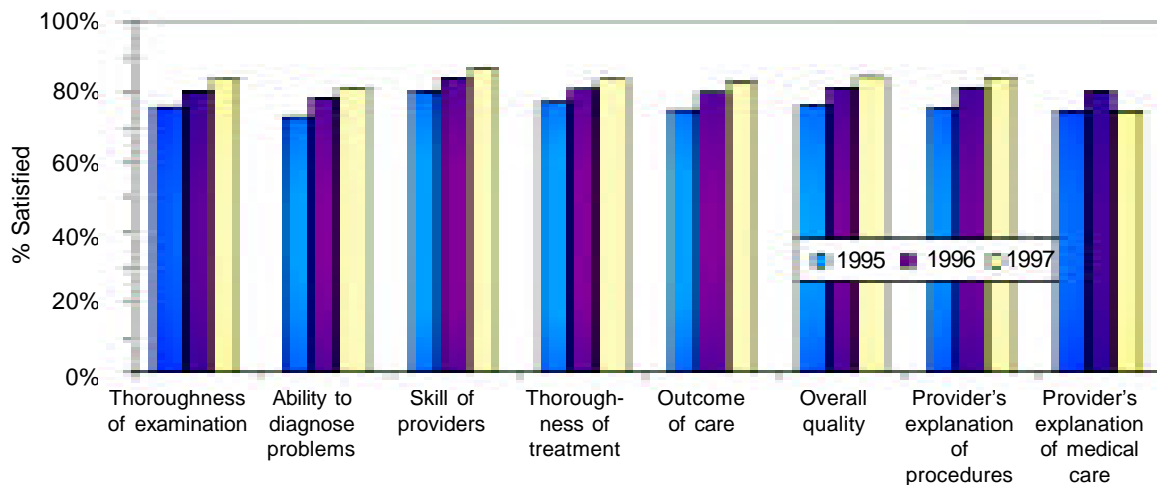
**Prescription for Prevention**

**TRICARE Prime offers a full range of preventive services. A few examples are:**

- eye exams
- immunizations
- hearing tests
- mammograms
- pap tests
- prostate exams

## Moving in the Right Direction

# Satisfaction with Quality of Care Improving



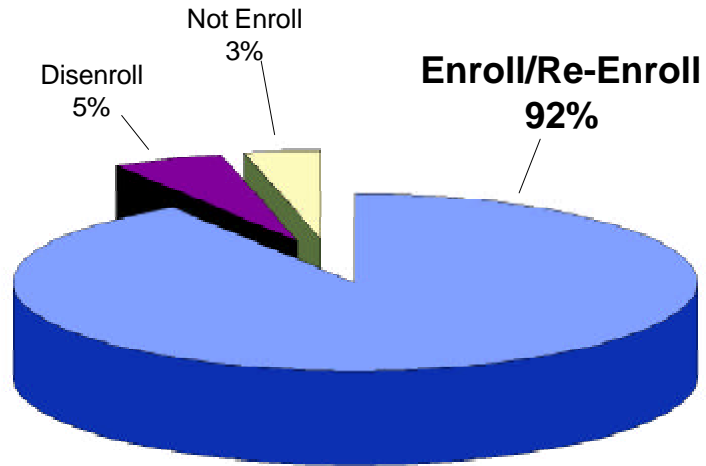
**Source:** 1995 - 1997 Annual Health Care Survey of DoD Beneficiaries

Quality

# People are Staying with TRICARE

**We asked Prime enrollees,  
“If you were given the option, would you ...?”**

The ultimate measure of TRICARE’s success is whether people intend to stay enrolled in Prime. People are definitely staying with TRICARE.



**All Prime Enrollees, System-Wide**

*Source: Nov 1998 - Jan 1999 Customer Satisfaction Survey*

## Ongoing Innovations

### What to Expect in 1999

- ✓ Automatic re-enrollment in place system-wide
- ✓ “Balance billing” of Prime enrollees ends, reducing out-of-pocket costs for beneficiaries
- ✓ Multiple co-payments for ancillary care eliminated
- ✓ Provider reimbursements aligned to Medicare rate
- ✓ All TRICARE Senior Prime demonstration sites up and running
- ✓ FEHBP demonstration starts in eight sites
- ✓ TRICARE Prime Remote in place for Active Duty serving in geographically-separated locations

### We’re tracking the issues

In January 1999 we began systematically tracking the major concerns expressed by beneficiaries through telephone calls, written correspondence and e-mail sent through our web site. Our goal is to identify problems early, and to continuously improve the TRICARE program.



# Top 5 Enlisted Concerns

*We asked our medical enlisted advisors to tell us what concerns about TRICARE they hear most often. Here's what we learned – and our action plan for improvement.*

## 1. Access Standards not Being Met

- ◆ Surveys indicate that access is steadily improving (particularly in mature regions)
- ◆ We are resolving difficulties for those in remote locations, BRAC sites, geographically separated units, and in start-up regions

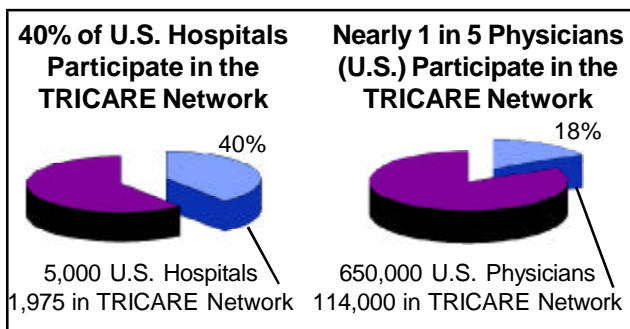


## 2. Keep Message Simple

- ◆ New Product – “TRICARE Made Simple” passed focus group testing with flying colors. English and Spanish versions hit the streets in 1999
- ◆ “Navigating TRICARE”, a new Navy and Marine pamphlet
- ◆ New videos for TRICARE Europe and the National Mail Order Pharmacy Program

## 3. Annual Re-enrollment Too Frequent

- ◆ Annual re-enrollment has been eliminated
  - Beneficiaries now receive a notice that they have been automatically re-enrolled each year
  - They may cancel by replying to the notice



## 4. Increase Network Doctor Numbers

- ◆ While our beneficiaries only represent 3% of the U.S. population, they're covered by a network which includes nearly 20% of U.S. physicians and 40% of U.S. hospitals
- ◆ We will continue to work to ensure provider networks are large enough to meet beneficiary needs

## 5. Speed Claims/Stop Creditors Pursuing Our People

- ◆ Over 27 million claims are processed annually
- ◆ Nationally over 92% of ALL claims are processed within 30 days
- ◆ 98% are processed in 60 days

# We Have Come So Far

*We still have a lot to do to make TRICARE the leading provider of quality care in the United States. But look how far we've come. Remember when...*

- Military health care focused only on **treating** illness, with little emphasis on **preventing** it.
- To get an appointment, patients had to call first thing in the morning, or the first morning of the month.
- Army, Navy, and Air Force hospitals had few communications with one another, and relatively little knowledge of local medical resources.



- There were no clear, stated standards for access to care.
- Patients who lived near **large** military hospitals received comprehensive care. Those who lived near a post with a **small** clinic were on their own in navigating “downtown” medical care.
- Patients had no access to toll-free 24-hour health information/nurse advice lines.

## Bottom Line to Stakeholders

*...We're Working to Make TRICARE Even Better —*

***but TRICARE is WORKING!***

- **TRICARE** supports the health of our families and the readiness of our forces
- **TRICARE** is operational world-wide
- **TRICARE** has improved access to care
- **TRICARE** has improved patient satisfaction
- **TRICARE** held the line on out-of-pocket costs for our people
- **TRICARE** provides top-quality care
- **TRICARE** is a superb health benefit — among the best in America

### Three Options — P.E.S.

- P** **Prime** HMO-like  
Minimal co-pay and No deductible
- E** **Extra** PPO-like  
Reduced co-pay from  
Network provider
- S** **Standard** Formerly called CHAMPUS  
Higher co-pay and deductibles

### TRICARE: Setting the “P.A.C.E.” in American Health Care

- P** **revention**
- A** **ccess**
- C** **hoice**
- E** **mergency Care**

### Access Standards

- 1 DAY** Urgent Care
- 1 WEEK** Routine Care
- 1 MONTH** Specialty Care

### BENEFIT

#### Active Duty

- Automatically enrolled in TRICARE Prime
- All care covered at NO COST

#### Active Duty Families

- Choice of all 3 options
- Highest priority for enrollment in TRICARE Prime after Active Duty
- No enrollment fees
- Minimal co-pay for civilian care (E4 and below=\$6 / E5 and above=\$12)

#### Retirees < 65

- Choice of all 3 options
- TRICARE Prime enrollment fees (\$230 individual / \$460 family)
- Pharmacy: MTF, retail network, and mail order benefits

#### Retirees ≥ 65

- MEDICARE plus Space Available MTF care
- Pharmacy: MTF and BRAC benefit

If you have a...  ,  or a  then you have access to information about TRICARE.



### TRICARE Management Activity

Customer Service & Beneficiary Education  
Skyline Five, Suite 810  
5111 Leesburg Pike  
Falls Church, Virginia 22041-3206

### [www.tricare.osd.mil](http://www.tricare.osd.mil)

- Beneficiary Information
- Provider Resources
- Program Management
- Performance Measures
- Readiness
- Information Technology
- Much, much more...

*It's All On the Web!!!*

Or Email:  
[questions@tma.osd.mil](mailto:questions@tma.osd.mil)



**TRICARE Management Activity**

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## What do you think?

We would like your feedback on the Stakeholders' Report. What are your suggestions for next year's report? You may e-mail your comments to [comments@tma.osd.mil](mailto:comments@tma.osd.mil), or write us at TRICARE Management Activity; Skyline Five, Suite 810; 5111 Leesburg Pike; Falls Church, Virginia 22041-3206