

May 7, 2012

HASC Communications (202) 225-2539

## Fact Sheet: TRICARE and the FY13 NDAA

### *Honoring the Service of Our Veterans and Ensuring Sustainability for Retirees*

The FY13 National Defense Authorization Act (NDAA) is vital legislation that provides our warfighters and their families with the care and support the need, deserve, and have earned. While the Obama Administration has proposed dramatic fee increases in TRICARE – which serves 9.3 million beneficiaries, including 5.5 million military retirees – the Chairman’s Mark will take a different approach, ensuring fiscal responsibility while protecting the benefits earned by those who risk their lives to defend our nation.

#### **Reject Administration Proposals for New and Higher Fees**

The Obama Administration proposed dramatic increases to pharmacy co-pays, an annual enrollment fee for the TRICARE for Life benefit for Medicare-eligible retirees, income-based enrollment fees for TRICARE Prime, an annual enrollment fee for TRICARE Standard and Extra and raising TRICARE Standard and Extra deductibles. These increases went too far and are not included in the Chairman’s Mark.

#### **Honoring the Contributions of Our Veterans**

The Chairman’s Mark restates the firmly-held sense of Congress that prior service to our nation is a pre-payment of healthcare benefits in retirement. This nation must honor its commitment to generations of servicemembers, families, and survivors who have spent decades sacrificing their personal interests in service to their country.

#### **Limiting Increases for TRICARE Pharmacy Co-Pays**

The Chairman’s Mark includes a modest increase in TRICARE pharmacy co-pays in 2013 and a cap on pharmacy co-pays beginning in 2014 that would allow fees to rise by no more than the annual retiree COLA. This is offset by a 5-year pilot program that requires TRICARE for life recipients to obtain refills of maintenance drugs through the TRICARE mail-order program.

#### **Pharmacy Co-Payment Proposal FY13**

Retail Rx (1 Month fill)	Current Fee	President’s Proposal	House Proposal
Generic	\$5	\$5	\$5
Brand	\$12	\$26	\$17
Non-Formulary	\$25	N/A*	\$44
Mail-Order Rx (3 month fill)	Current Fee	President’s Proposal	House Proposal
Generic	\$0	\$0	\$0
Brand	\$9	\$26	\$13
Non-Formulary	\$25	\$51	\$43
<b>Military Treatment Facilities Rx</b>	<b>No change -- still \$0 co-pay</b>		

\*N/A = Not available at retail after FY 12

#### **Caring for Members of the Selected Reserves**

The Chairman’s Mark extends TRICARE Reserve Select for 180 days for members of the Selected Reserves who are involuntarily separated from service.

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**COURTESY OF HOUSE ARMED SERVICES COMMITTEE  
CHAIRMAN BUCK MCKEON (R-CA)**