
According to Captain Kathryn M. Beasley, USN (Ret), Director of Government Relations Your TRICARE fees and cost shares are once again in the crosshairs. The Congressional Budget Office (CBO) recently published their annual list of budget strategies with options for policymakers to consider as they begin the budgeting process for next year. And as we know, they will be looking to increase revenue any way they can get it - so knowing in advance the areas they are going to focus on is a powerful offense for MOAA.

The CBO has targeted the following areas in TRICARE, and none of the proposals reflect, or even hint at, the price a military retiree or their family has paid up front for their health care with their service and sacrifice. Nor, that DoD's annual outlays for TFL have actually gone down or remained flat year over year.

Here is a deeper dive into the options the CBO proposes for TRICARE. And please ACT NOW and send this MOAA message to Congress.

TRICARE for Life (TFL)

There are several options put forward by the CBO which would result in increased costs for TFL beneficiaries. Specifically, with either requiring an enrollment fee for TFL, or requiring beneficiaries to pay out of pocket cost shares - or both. Their objective is to reduce spending for Medicare and TFL by both increasing revenue and providing incentives for beneficiaries to use their TFL benefit less, or to even switch to a commercial Medicare supplement.

Key CBO recommendations:

An annual enrollment fee of \$485 for individual coverage and \$970 for family coverage could start in calendar year 2021. The cost savings estimate from this would be \$12 billion between 2021 and 2028 and savings are projected to increase by about 5 percent, mainly by indexing this enrollment fee to Medicare cost growth.

Introducing minimum out-of-pocket requirements starting in 2022. In this proposal, TFL would not cover any of the first \$750 of an enrollee's cost-sharing payments under Medicare and would cover only 50 percent of the next \$6,750. Essentially, TFL beneficiaries would pay a maximum of \$4,125. In anticipation of TFL beneficiaries returning to the military treatment facilities (MTFs) to avoid these cost shares, the MTFs would be required to charge the same amount as civilian facilities would.

TRICARE Prime and Select Cost Sharing for Retirees Under Age 65

Again, the CBO claims that health care has been among the fastest growing

portions in the DoD's budget. However, by DoD's own numbers, it still remains a third of the personnel budget since 1980. By targeting working-age military retirees and claiming they are not paying their share, provides the rationale to abolish the current grandfathering originally established in the 2017 NDAA, and to push beneficiaries away from utilizing their earned benefits.

Key CBO recommendations (starting in 2021):

TRICARE Prime - individual enrollment fees could increase to \$650 and family enrollment to \$1,300.

TRICARE Select - individuals could pay an annual enrollment fee of \$485 and \$970 for a family. The annual deductible for an individual would be \$300 and \$600 for a family.

These cost shares would be tied to a national health expenditure index and not COLA. The total cost savings from these proposals is projected to be \$12.6 billion between 2020 and 2028.

MOAA strongly opposes each and every one of these proposed options, on the grounds that they represent more than dis-proportional fee increases for military retirees. Military retirees and their families have already accumulated a wide variety of fee increases - and this is on top of the price they have paid up front with their decades of service and sacrifice.