

TRICARE Cost-Sharing Changes in 2022

Updated December 6, 2021

The Department of Defense (DOD) administers a statutory health entitlement (under [Chapter 55](#) of Title 10, U.S. Code) through the [Military Health System](#) (MHS). The MHS offers health care benefits and services through its [TRICARE program](#) to approximately [9.6 million beneficiaries](#) composed of servicemembers, military retirees, and family members. Health care services are available through DOD-operated hospitals and clinics, collectively referred to as [military treatment facilities](#) (MTFs), or through [civilian health care providers](#) participating in the TRICARE program. The [Defense Health Agency](#) (DHA) manages the TRICARE program, in collaboration with the military departments.

With the exception of active duty servicemembers, beneficiaries are subject to certain cost-sharing requirements based on beneficiary category, health plan or benefit program, and the [sponsor's](#) initial enlistment or appointment date. [Beneficiary cost-sharing requirements](#) include premiums (i.e., *enrollment fees*), deductibles, co-payments, coinsurance, and a catastrophic cap. Periodically, DHA reviews and adjusts certain beneficiary cost-sharing amounts for the various TRICARE health plans and benefit programs based on statutory requirements or changes to the cost of coverage. This Insight reviews changes to TRICARE's beneficiary cost-sharing amounts that are scheduled to take effect on January 1, 2022 and may generate constituent inquiries during the [TRICARE open enrollment season](#).

What TRICARE health plans and benefit programs are scheduled to have modified cost shares in 2022?

For calendar year (CY) 2022, DHA is increasing certain beneficiary cost-sharing amounts for the following TRICARE health plans and benefit programs:

- [TRICARE Prime](#),
- [TRICARE Select](#),
- [TRICARE Retired Reserve](#),
- [TRICARE Young Adult](#), and
- [TRICARE Pharmacy Program](#).

DHA is decreasing certain beneficiary cost-sharing amounts for [TRICARE Reserve Select](#). There are no scheduled changes to the cost-sharing amounts for the [Continued Health Care Benefit Program](#),

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[TRICARE dental plan](#), or [TRICARE for Life](#). A detailed listing of cost sharing amounts by health plan or benefit program is available on the [CY2021 Costs and Fees Sheet](#), the [CY2022 Costs and Fees Sheet](#), or by using the [TRICARE compare cost tool](#).

How does DHA determine the change in cost-sharing amounts?

DHA generally adjusts the TRICARE beneficiary cost-sharing amounts based on (1) specified amounts established in federal statutes; (2) statutory formulas; or (3) actuarial adjustments equal to the cost of coverage. **Table 1** specifies the method by which DHA determines periodic adjustments to beneficiary cost-sharing amounts.

Table 1. Adjustment Methods used for TRICARE enrollee cost-sharing amounts

| Health Plan or Benefit Program | Adjustment Method | Authority |
|---------------------------------------|--|--|
| TRICARE Prime | <ul style="list-style-type: none"> Amounts specified in statute and statutory formula | 10 U.S.C. §1075a |
| TRICARE Select | <ul style="list-style-type: none"> Amounts specified in statute and statutory formula | 10 U.S.C. §1075 |
| TRICARE Reserve Select | <ul style="list-style-type: none"> Enrollment fee: actuarial adjustment Other cost-sharing amounts: mirrors TRICARE Select | 10 U.S.C. §1076d |
| TRICARE Retired Reserve | <ul style="list-style-type: none"> Enrollment fee: actuarial adjustment Other cost-sharing amounts: mirrors TRICARE Select | 10 U.S.C. §1076e |
| TRICARE Young Adult (Prime or Select) | <ul style="list-style-type: none"> Enrollment fee: actuarial adjustment Other cost-sharing amounts: mirrors TRICARE Prime or TRICARE Select | 10 U.S.C. §1110b |
| Continued Health Care Benefit Program | <ul style="list-style-type: none"> Enrollment fee: actuarial adjustment Other cost-sharing amounts: mirrors TRICARE Select | 10 U.S.C. §1078a |
| TRICARE Pharmacy | <ul style="list-style-type: none"> Amounts specified in statute and statutory formula | 10 U.S.C. §1074g |
| TRICARE Dental | <ul style="list-style-type: none"> DHA-administered dental benefit: actuarial adjustment Federal Employee Dental and Vision Insurance Program (FEDVIP): actuarial adjustment | 10 U.S.C. §1076a 5 U.S.C. §8958 |

Source: See various statutes in Chapter 55 of Title 10 and Chapter 89A of Title 5, U.S. Code.

Notes: DHA makes *actuarial adjustments* based on enrollment-weighted average annual costs of previous calendar years and projected administrative and health care costs. See DHA's methodology document for more on how [actuarial adjustments](#) are made annually. Certain DOD beneficiaries (i.e., military retirees and their family members) are eligible for dental benefits through FEDVIP, which annually adjusts its cost-sharing amounts in accordance with [Chapter 89A](#) of Title 5, U.S. Code, [Part 894](#) of Title 5, Code of Federal Regulations, and [Office of Personnel Management policies](#).

What and when is the TRICARE Open Enrollment Season?

The [TRICARE open enrollment season](#) is an annual period when beneficiaries may enroll in, terminate, or change their health plan or benefit program. The calendar year 2021 open enrollment season for calendar year 2022 began on November 8, 2021 and ends on December 13, 2021. Beneficiaries who opt to remain in their current health plan or benefit program are not required to re-enroll. Beneficiaries who

are newly eligible or would like to change their enrollment may do so by submitting an online [Beneficiary Web Enrollment](#) request or contacting the [appropriate TRICARE contractor](#).

Once the annual open enrollment season closes, beneficiaries may only make changes to their health plan or benefit program within 90 days after a *qualifying life event* (QLE). **Table 2** lists military or family-related life changes that DHA deem a QLE.

Table 2. TRICARE Qualifying Life Events

| Military Changes | Family Changes |
|---|--|
| <ul style="list-style-type: none"> • Permanent change of station/moving • Initial military commissioning or enlistment • Reserve Component member activation/deactivation • Injured on active duty • Separating from active duty • Retiring • Military-directed change of primary care manager • Change in overseas command-sponsorship | <ul style="list-style-type: none"> • Marriage • Divorce • Having a baby or adopting • Children going to college • Children becoming adults • Becoming Medicare-eligible • Moving • Death in Family • Loss or gain of other health insurance |

Source: 32 C.F.R. §199.17(o) and TRICARE, “Qualifying Life Events,” accessed November 29, 2021, <https://www.tricare.mil/LifeEvents>.

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