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INSIGHT

TRICARE Cost-Sharing Changes in 2026

Updated November 17, 2025

The Department of Defense (DOD), which is "using a secondary Department of War designation," under Executive Order 14347 dated September 5, 2025, administers a statutory health entitlement (under Title 10, Chapter 55, of the *U.S. Code*) through the Military Health System (MHS). The MHS offers health care benefits and services through its TRICARE program to approximately 9.5 million beneficiaries that include 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.

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 or *enrollment fees*, deductibles, copayments, 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 coverage costs. This Insight reviews changes to TRICARE's beneficiary cost-sharing amounts that are scheduled to take effect on January 1, 2026. These changes may generate constituent inquiries during the TRICARE open enrollment season from November 10, 2025, to December 9, 2025 (see below).

What TRICARE health plans and benefit programs are scheduled to have modified cost shares in 2026?

For calendar year (CY) 2026, DHA has announced adjustments to certain beneficiary cost-sharing amounts for the following TRICARE health plans and benefit programs:

- TRICARE Prime,
- TRICARE Select,
- TRICARE Reserve Select,
- TRICARE Retired Reserve (TRR),
- TRICARE Young Adult,

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- Continued Health Care Benefit Program, and
- TRICARE Pharmacy Program.

DHA has not announced changes to TRICARE Dental Program monthly premium rates that remain in effect from March 1, 2025 to February 28, 2026, at which time new rates are to be announced. A detailed listing of cost-sharing amounts by health plan or benefit program is available on the TRICARE Costs and Fees Sheet or by using the TRICARE compare cost tool.

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

DHA typically 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	• Amounts specified in statute and statutory formula	10 U.S.C. §1075a
TRICARE Select	• Amounts specified in statute and statutory formula	10 U.S.C. §1075
TRICARE Reserve Select	• Enrollment fee: DOD actuarial adjustment • Other cost-sharing amounts: mirrors TRICARE Select	10 U.S.C. §1076d
TRICARE Retired Reserve	• Enrollment fee: DOD actuarial adjustment • Other cost-sharing amounts: mirrors TRICARE Select	10 U.S.C. §1076e
TRICARE Young Adult (Prime or Select)	• Enrollment fee: DOD actuarial adjustment • Other cost-sharing amounts: mirrors TRICARE Prime or TRICARE Select	10 U.S.C. §1110b
Continued Health Care Benefit Program	• Enrollment fee: DOD actuarial adjustment • Other cost-sharing amounts: mirrors TRICARE Select	10 U.S.C. §1078a
TRICARE Pharmacy	• Amounts specified in statute through 2027, followed by statutory formula	10 U.S.C. §1074g
TRICARE Dental	• DHA-administered dental benefit: DOD actuarial adjustment • Federal Employees Dental and Vision Insurance Program (FEDVIP): actuarial adjustment	10 U.S.C. §1076a 5 U.S.C. §8958

Source: See various statutes in Title 10, Chapter 55, and Title 5, Chapter 89A, of the *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. For more on how actuarial adjustments are made annually, see DHA's methodology document. 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 Title 5, Chapter 89A, of the *U.S. Code*; Title 5, Part 894, of the *Code of Federal Regulations*, and Office of Personnel Management policies. For more on Federal Employees Health Benefits and FEDVIP, see CRS Report R43922, *Federal Employees Health Benefits (FEHB) Program: An Overview*, by Ryan J. Rosso and Ada S. Cornell.

How does DHA notify beneficiaries of modified cost shares?

By law (10 U.S.C. §1097d), the Secretary of Defense, who is using "Secretary of War" as a "secondary title" under Executive Order 14347 dated September 5, 2025, is required to inform beneficiaries who may be affected by a "significant change" to the TRICARE program, including a systemwide change to the program's structure or benefits, or changes in beneficiary cost shares "of more than 20 percent." DHA may inform beneficiaries of impending cost-sharing modifications through various means, including emails to beneficiaries, digital outreach (e.g., social media), information posted on the TRICARE website, and distribution of educational materials to all eligible households.

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 open enrollment season for calendar year 2026 began on November 10, 2025, and ends on December 9, 2025. 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 the DHA-designated military or family-related life changes deemed as a QLE.

Table 2. TRICARE Qualifying Life Events

Military Changes	Family Changes
• Permanent change of station/moving	• Marriage
• Initial military commissioning or enlistment	• Divorce or annulment
• Reserve Component member activation/deactivation	• Having a baby or adopting a child
• Injured on active duty	• Children going to college
• Separating from active duty	• Children becoming adults
• Retiring	• Turning age 60 (TRR eligibles)
• Military-directed change of primary care manager	• Becoming Medicare-eligible
• Military-directed health plan change	• Moving
• Change in overseas command sponsorship	• 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 17, 2025, at https://www.tricare.mil/LifeEvents.

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