

United States Senate

WASHINGTON, DC 20510

February 1, 2023

The Honorable Lloyd J. Austin III
Secretary of Defense
1010 Defense Pentagon
Washington, DC 20301

Dear Secretary Austin,

We write today to express our concern over recent reports that technical issues with the U.S. Army's new human resources platform resulted in the disenrollment of 25,000 beneficiaries from TRICARE. We are further concerned about the alarming number of TRICARE issues in recent years, including rising costs, loss of community pharmacy access, and a declining number of participating health care providers. We urge you to take proactive measures to communicate with and re-enroll any recently dropped beneficiaries and for the Department to undertake a comprehensive evaluation of TRICARE to resolve the numerous challenges faced by TRICARE beneficiaries.

It is unacceptable that the Army's newly deployed Integrated Personnel and Pay System-Army (IPPS-A) is causing such drastic issues for soldiers and their families less than a week after the platform was integrated with the Defense Enrollment Eligibility Reporting System (DEERS). We are concerned that TRICARE is not conducting proactive outreach to affected beneficiaries and that we expect servicemembers to contact TRICARE themselves if they, or their families, have been disenrolled. The Department must take immediate action to ensure affected beneficiaries are re-enrolled and that IPPS-A works seamlessly with DEERS moving forward. We urge the Department to conduct immediate, targeted outreach to affected individuals to provide them with the information they need to re-enroll and submit reimbursement claims for any care or prescriptions they received while disenrolled from TRICARE. In addition to our request for targeted outreach, we would also appreciate a response to the following questions:

- Please detail the automated process to re-enroll affected beneficiaries and any future steps to re-enroll soldiers and families affected by this issue.
- How has TRICARE informed affected beneficiaries of their possible disenrollment from TRICARE?
- Does TRICARE intend to conduct outreach to affected beneficiaries who may be serving overseas?
- Does TRICARE intend to implement and publicize a hotline dedicated to affected beneficiaries to ensure they are not waiting in the same phone queues for TRICARE's general toll-free callers?
- How many affected beneficiaries are still awaiting re-enrollment in TRICARE?

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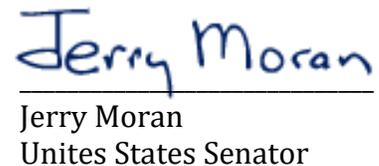
Unfortunately, the recent problems with the disenrollment of beneficiaries are only one of many systemic issues currently affecting TRICARE. In September 2022, approximately 15,000 community pharmacies were forced to leave the TRICARE network after Express Scripts Inc. (ESI) notified pharmacies and beneficiaries that their contracts would expire two months early. Kroger also left the TRICARE network due to ESI's unfair reimbursement rates. These actions affected approximately 400,000 beneficiaries and thousands of independent pharmacies. Additionally, at the beginning of this calendar year, many TRICARE beneficiaries saw their cost-sharing amounts increase up to ten percent over the previous year, resulting in exorbitantly higher yearly costs for beneficiaries. Despite these increases in cost-sharing – which are intended to reflect rising health care costs – many TRICARE providers are no longer accepting TRICARE or have limited the number of TRICARE patients they accept, citing low reimbursement rates, cumbersome billing processes, and complex conflicts between the TRICARE system and other government-run health insurance plans. We ask that the Department immediately begin a comprehensive analysis of TRICARE to determine what steps need to be taken to restore this program to the best-in-class health care benefit our servicemembers and their families deserve.

We look forward to your prompt response to my questions and stand ready to assist you in ensuring TRICARE is a benefit our servicemembers and their families can depend on for years to come.

Sincerely,



Jon Tester
United States Senator



Jerry Moran
United States Senator