106TH CONGRESS 2D SESSION

H. R. 4124

To amend title 10, United States Code, to improve the access to military treatment facilities for retired members of the uniformed services, and their dependents, who are over 65 years of age, to provide for Medicare reimbursement for health care services provided to such persons, to permit such persons to enroll in the Federal Employees Health Benefits program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

March 29, 2000

Mr. Thornberry introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Armed Services, Commerce, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 10, United States Code, to improve the access to military treatment facilities for retired members of the uniformed services, and their dependents, who are over 65 years of age, to provide for Medicare reimbursement for health care services provided to such persons, to permit such persons to enroll in the Federal Employees Health Benefits program, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

- 2 (a) Short Title.—This Act may be cited as the
- 3 "Military Retiree Health Care Options Act".
- 4 (b) Table of Contents of Contents of
- 5 this Act is as follows:
 - Sec. 1. Short title; table of contents.

TITLE I—ENROLLMENT OF RETIREES IN TRICARE PRIME AND MEDICARE REIMBURSEMENT

- Sec. 101. Definitions.
- Sec. 102. Availability of TRICARE-prime for Medicare-eligible uniformed services retirees.
- Sec. 103. Medicare reimbursement.
- Sec. 104. Determination of reimbursement amounts.
- Sec. 105. Maintenance of defense health care effort.
- Sec. 106. Department of Defense payment of late enrollment penalty under Medicare.
- Sec. 107. Medigap special open enrollment for certain uniformed services retires and dependents.

TITLE II—FEHBP OPTION FOR RETIREES

- Sec. 201. Inclusion of Medicare-eligible uniformed services retirees in Federal Employees Health Benefits program.
- Sec. 202. Improved benefits under CHAMPUS and TRICARE standard.

TITLE III—OTHER MATTERS

- Sec. 301. Participation of medicare-eligible beneficiaries in certain Department of Defense pharmacy programs.
- Sec. 302. Nationwide enrollment card under the TRICARE program.

6 TITLE I—ENROLLMENT OF RE-

- 7 TIREES IN TRICARE PRIME
- 8 AND MEDICARE REIMBURSE-
- 9 **MENT**
- 10 SEC. 101. DEFINITIONS.
- 11 For purposes of this title:

1	(1) Medicare-eligible uniformed services
2	RETIREE.—The term "Medicare-eligible uniformed
3	services retiree" means an individual—
4	(A) who is—
5	(i) a member or former member of the
6	uniformed services described in section
7	1074(b) of title 10, United States Code;
8	(ii) a dependent of a member de-
9	scribed in subsection (a)(2)(B) or (b) of
10	section 1076 of that title; or
11	(iii) a dependent of a member who
12	died while on active duty for a period of
13	more than 30 days;
14	(B) who is entitled to hospital insurance
15	benefits under part A of title XVIII of the So-
16	cial Security Act (42 U.S.C. 1395 et seq.); and
17	(C) who has attained age 65.
18	(2) TRICARE PROGRAM.—The term
19	"TRICARE program" means the managed health
20	care program that is established by the Secretary of
21	Defense under the authority of chapter 55 of title
22	10, United States Code, principally section 1097 of
23	such title, and includes the competitive selection of
24	contractors to financially underwrite the delivery of

- health care services under the Civilian Health and
 Medical Program of the Uniformed Services.
- 3 (3) Subvention program.—The term "sub4 vention program" means the program established
 5 under section 103(a) to reimburse the Department
 6 of Defense, from the Medicare program under title
 7 XVIII of the Social Security Act (42 U.S.C. 1395 et
 8 seq.), for health care services provided to Medicare9 eligible uniformed services retirees through the
 10 TRICARE program.
- 11 (4) DEPENDENT.—The term "dependent" has 12 the meaning given the term in section 1072(2) of 13 title 10, United States Code.
- 14 (5) SECRETARIES.—The term "Secretaries"
 15 means the Secretary of Defense and the Secretary of
 16 Health and Human Services acting jointly.
- 17 SEC. 102. AVAILABILITY OF TRICARE-PRIME FOR MEDI-
- 18 CARE-ELIGIBLE UNIFORMED SERVICES RE-
- 19 TIREES.
- The Secretary of Defense may not prohibit the enroll-
- 21 ment of Medicare-eligible uniformed services retirees in
- 22 the managed care option of the TRICARE program
- 23 (known as TRICARE prime) solely on account of age or
- 24 the entitlement of such persons to hospital insurance bene-

- 1 fits under part A of title XVIII of the Social Security Act
- 2 (42 U.S.C. 1395c et seq.).
- 3 SEC. 103. MEDICARE REIMBURSEMENT.
- 4 (a) Reimbursement Required.—The Secretary of
- 5 Defense and the Secretary of Health and Human Services
- 6 shall jointly establish a program to provide the Depart-
- 7 ment of Defense with reimbursement, beginning October
- 8 1, 2000, from the Medicare program under title XVIII of
- 9 the Social Security Act (42 U.S.C. 1395 et seq.) for health
- 10 care services provided to Medicare-eligible uniformed serv-
- 11 ices retirees—
- 12 (1) through the TRICARE program to increase
- the number of Medicare-eligible uniformed services
- retirees able to enroll in the managed care option of
- the TRICARE program; and
- 16 (2) in a military medical treatment facility of
- the uniformed services.
- 18 (b) VOLUNTARY ENROLLMENT.—For purposes of the
- 19 subvention program, enrollment of Medicare-eligible uni-
- 20 formed services retirees in an option of the TRICARE pro-
- 21 gram shall be voluntary, except that the total number of
- 22 Medicare-eligible uniformed services retirees so enrolled
- 23 shall be subject to the capacity and funding limitations
- 24 specified in section 105.

- 1 (c) Effect of Enrollment.—In the case of a
- 2 Medicare-eligible uniformed services retiree who enrolls in
- 3 an option of the TRICARE program, payments may not
- 4 be made under title XVIII of the Social Security Act (42
- 5 U.S.C. 1395 et seq.) other than under the subvention pro-
- 6 gram for health care services provided through the
- 7 TRICARE program, except that the Secretaries may pro-
- 8 vide exceptions for emergencies or other situations as the
- 9 Secretaries consider appropriate.
- 10 (d) TRICARE PROGRAM ENROLLMENT FEE WAIV-
- 11 ER.—The Secretary of Defense shall waive the enrollment
- 12 fee applicable to any Medicare-eligible uniformed services
- 13 retiree enrolled in the managed care option of the
- 14 TRICARE program for whom reimbursement may be
- 15 made under section 104.
- 16 (e) Modification of TRICARE Contracts.—In
- 17 carrying out the subvention program, the Secretary of De-
- 18 fense may amend existing TRICARE program contracts
- 19 as may be necessary to incorporate provisions specifically
- 20 applicable to Medicare-eligible uniformed services retirees
- 21 who enroll in an option of the TRICARE program.
- 22 (f) Cost Sharing.—The Secretary of Defense may
- 23 establish cost sharing requirements for Medicare-eligible
- 24 uniformed services retirees who enroll in an option of the

- 1 TRICARE program and for whom reimbursement may be
- 2 made under section 104.

3 SEC. 104. DETERMINATION OF REIMBURSEMENT AMOUNTS.

- 4 (a) Individuals Enrolled in Part A.—In the
- 5 case of Medicare-eligible uniformed services retirees who
- 6 are enrolled in the supplementary medical insurance pro-
- 7 gram under part B of title XVIII of the Social Security
- 8 Act (42 U.S.C. 1395j et seq.), the Secretary of Health
- 9 and Human Services shall reimburse the Secretary of De-
- 10 fense for services provided under section 103 at a rate
- 11 equal to the amount paid to a Medicare+Choice organiza-
- 12 tion under part C of this title with respect to such an en-
- 13 rollee or a rate equal to the amount that otherwise would
- 14 be payable under XVIII of the Social Security Act on a
- 15 noncapitated basis for the service. In cases in which a pay-
- 16 ment amount may not otherwise be readily computed, the
- 17 Secretary shall establish rules for computing equivalent or
- 18 comparable payment amounts.
- 19 (b) Individuals Not Enrolled in Part B.— In
- 20 the case of Medicare-eligible uniformed services retirees
- 21 who are not enrolled in the supplementary medical insur-
- 22 ance program under part B of title XVIII of the Social
- 23 Security Act (42 U.S.C. 1395j et seq.), the Secretary of
- 24 Health and Human Services shall reimburse the Secretary
- 25 of Defense for services provided under section 103 at a

- 1 rate equal to the amount that otherwise would be payable
- 2 under title XVIII of the Social Security Act on a
- 3 noncapitated basis for the service. In cases in which a pay-
- 4 ment amount may not otherwise be readily computed, the
- 5 Secretary shall establish rules for computing equivalent or
- 6 comparable payment amounts.

7 SEC. 105. MAINTENANCE OF DEFENSE HEALTH CARE EF-

- 8 FORT.
- 9 (a) Maintenance of Effort Required.—The
- 10 Secretary of Defense shall maintain the Department of
- 11 Defense health care efforts for Medicare-eligible uni-
- 12 formed services retirees so as to avoid imposing on the
- 13 Medicare program those costs that the Department of De-
- 14 fense would be expected to incur to provide health care
- 15 services to Medicare-eligible uniformed services retirees in
- 16 the absence of the subvention program.
- 17 (b) Estimate of Prior Effort.—For the first fis-
- 18 cal year of the subvention program, the Secretaries shall
- 19 estimate the amount expended by the Department of De-
- 20 fense for fiscal year 2000 for providing health care items
- 21 and services (other than pharmaceuticals provided to out-
- 22 patients) to Medicare-eligible uniformed services retirees.
- 23 For subsequent fiscal years, the amount so estimated shall
- 24 be adjusted for inflation, for differences between estimated

- 1 and actual amounts expended, and for major changes in
- 2 the Department of Defense health care budget.
- 3 (c) Target for Defense Effort.—On the basis
- 4 of the estimate made under subsection (b), the Secretaries
- 5 shall establish monthly targets of the number of Medicare-
- 6 eligible uniformed services retirees for whom reimburse-
- 7 ment will not be provided to the Department of Defense
- 8 under section 104.
- 9 (d) Protection of Medicare Program Against
- 10 Increased Costs.—
- 11 (1) Purpose.—The purpose of this subsection
- is to protect the Medicare program against costs in-
- curred under section 104 in connection with the pro-
- vision of health care services to Medicare-eligible
- uniformed services retirees that would not have been
- incurred by the Medicare program in the absence of
- the reimbursement requirement.
- 18 (2) Review by comptroller general.—Not
- later than December 31 of each year, the Comp-
- troller General shall determine and submit to the
- 21 Secretaries and Congress a report on the extent, if
- any, to which the costs of the Secretary of Defense
- 23 under the TRICARE program and the costs of the
- 24 Secretary of Health and Human Services under the

- Medicare program have increased as a result of the subvention program.
- 3 (3) ACTIONS TO PREVENT INCREASED COSTS.— If the Secretaries determine that the trust funds under title XVIII of the Social Security Act (42 5 6 U.S.C. 1395 et seq.) still incur excess costs as a re-7 sult of the subvention program, the Secretaries shall 8 take such steps as may be necessary to offset those 9 excess costs (and prevent future excess costs), in-10 cluding adjustment of the payment rate under sec-11 tion 104 or an adjustment of the maintenance of ef-12 fort requirements of the Department of Defense 13 under this section.

14 SEC. 106. DEPARTMENT OF DEFENSE PAYMENT OF LATE 15 ENROLLMENT PENALTY UNDER MEDICARE.

- 16 (a) DEPARTMENT OF DEFENSE PAYMENT.—In the 17 case of any Medicare-eligible uniformed services retiree 18 who enrolls under part B of title XVIII of the Social Secu-19 rity Act and who, because of the date of such enrollment, 20 is subject to the late enrollment penalty imposed pursuant
- 21 to section 1839(b) of the Social Security Act on the
- 22 monthly premium under part B of such title, the Secretary
- 23 of Defense shall reimburse the Medicare-eligible uniformed
- 24 services retiree for the cost of such penalty by—

1	(1) increasing the amount of a payment other-
2	wise made by the Department of Defense to the
3	Medicare-eligible uniformed services retiree, such as
4	retired or retainer pay; or
5	(2) making a special payment to the Medicare-
6	eligible uniformed services retiree to cover the cost
7	of such penalty.
8	(b) APPLICABILITY.—This section applies to a Medi-
9	care-eligible uniformed services retiree—
10	(1) who was eligible to enroll under part B of
11	title XVIII of the Social Security Act, and
12	(2) who at the time the individual first satisfied
13	paragraph (1) or (2) of section 1836 of the Social
14	Security Act, did not elect to enroll (or to be deemed
15	enrolled) under section 1837 of the Social Security
16	Act during the individual's initial enrollment period.
17	SEC. 107. MEDIGAP SPECIAL OPEN ENROLLMENT FOR CER-
18	TAIN UNIFORMED SERVICES RETIREES AND
19	DEPENDENTS.
20	(a) Medigap Special Open Enrollment.—Not-
21	withstanding any other provision of law, in the case of a
22	Medicare-eligible uniformed services retiree who seeks to
23	enroll in a Medicare supplemental policy (as defined in
24	section 1882(g) of the Social Security Act), the issuer of
25	the Medicare supplemental policy—

1	(1) may not deny or condition the issuance or
2	effectiveness of a Medicare supplemental policy; and
3	(2) may not discriminate in the pricing of the
4	policy on the basis of the individual's health status,
5	medical condition (including both physical and men-
6	tal illnesses), claims experience, receipt of health
7	care, medical history, genetic information, evidence
8	of insurability (including conditions arising out of
9	acts of domestic violence), or disability.
10	(b) Applicability.—This section applies to a Medi-
11	care-eligible uniformed services retiree who was eligible to
12	enroll under part B of title XVIII of the Social Security
13	Act.
13	1100.
	TITLE II—FEHBP OPTION FOR
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14 15	TITLE II—FEHBP OPTION FOR
14 15 16	TITLE II—FEHBP OPTION FOR RETIREES
14151617	TITLE II—FEHBP OPTION FOR RETIREES SECTION. 201. INCLUSION OF MEDICARE-ELIGIBLE UNI-
14 15 16 17 18	TITLE II—FEHBP OPTION FOR RETIREES SECTION. 201. INCLUSION OF MEDICARE-ELIGIBLE UNIFORMED SERVICES RETIREES IN FEDERAL
14 15 16 17 18	TITLE II—FEHBP OPTION FOR RETIREES SECTION. 201. INCLUSION OF MEDICARE-ELIGIBLE UNIFORMED SERVICES RETIREES IN FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM.
14 15 16 17 18 19 20	TITLE II—FEHBP OPTION FOR RETIREES SECTION. 201. INCLUSION OF MEDICARE-ELIGIBLE UNIFORMED SERVICES RETIREES IN FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM. (a) IN GENERAL.—Section 1108 of title 10, United
14 15 16 17 18 19 20 21	TITLE II—FEHBP OPTION FOR RETIREES SECTION. 201. INCLUSION OF MEDICARE-ELIGIBLE UNIFORMED SERVICES RETIREES IN FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM. (a) IN GENERAL.—Section 1108 of title 10, United States Code, is amended to read as follows:
14 15 16 17 18 19 20 21 22	TITLE II—FEHBP OPTION FOR RETIREES SECTION. 201. INCLUSION OF MEDICARE-ELIGIBLE UNIFORMED SERVICES RETIREES IN FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM. (a) IN GENERAL.—Section 1108 of title 10, United States Code, is amended to read as follows: "§ 1108. Health care coverage through Federal Em-
14 15 16 17 18 19 20 21 22 23 24	TITLE II—FEHBP OPTION FOR RETIREES SECTION. 201. INCLUSION OF MEDICARE-ELIGIBLE UNIFORMED SERVICES RETIREES IN FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM. (a) IN GENERAL.—Section 1108 of title 10, United States Code, is amended to read as follows: "§ 1108. Health care coverage through Federal Employees Health Benefits program

1	Management under which eligible beneficiaries described
2	in subsection (b) may enroll in health benefits plans of-
3	fered through the Federal Employees Health Benefits pro-
4	gram under chapter 89 of title 5.
5	"(b) Eligible Beneficiaries; Coverage.—(1) An
6	eligible beneficiary under this subsection is—
7	"(A) a member or former member of the uni-
8	formed services described in section 1074(b) of this
9	title who is entitled to hospital insurance benefits
10	under part A of title XVIII of the Social Security
11	Act (42 U.S.C. 1395c et seq.);
12	"(B) an individual who is a former spouse of a
13	member or former member described in section
14	1072(2)(F) or $1072(2)(G)$;
15	"(C) an individual who is—
16	"(i) a dependent of a deceased member or
17	former member described in section 1076(b) or
18	1076(a)(2)(B) of this title or of a member who
19	died while on active duty for a period of more
20	than 30 days; and
21	"(ii) a member of family as defined in sec-
22	tion 8901(5) of title 5; or
23	"(D) an individual who is—
24	"(i) a dependent of a living member or
25	former member described in section 1076(b)(1)

- 1 of this title who is entitled to hospital insurance
- 2 benefits under part A of title XVIII of the So-
- 3 cial Security Act, regardless of the member's or
- 4 former member's eligibility for such hospital in-
- 5 surance benefits; and
- 6 "(ii) a member of family as defined in sec-
- 7 tion 8901(5) of title 5.
- 8 "(2) Eligible beneficiaries may enroll in a Federal
- 9 Employees Health Benefit plan under chapter 89 of title
- 10 5 under this section for self-only coverage or for self and
- 11 family coverage which includes any dependent of the mem-
- 12 ber or former member who is a family member for pur-
- 13 poses of such chapter.
- 14 "(3) A person eligible for coverage under this sub-
- 15 section shall not be required to satisfy any eligibility cri-
- 16 teria specified in chapter 89 of title 5 (except as provided
- 17 in paragraph (1)(C) or (1)(D)) as a condition for enroll-
- 18 ment in health benefits plans offered through the Federal
- 19 Employees Health Benefits program under this section.
- 20 "(4) For purposes of determining whether an indi-
- 21 vidual is a member of family under paragraph (5) of sec-
- 22 tion 8901 of title 5 for purposes of paragraph (1)(C) or
- 23 (1)(D), a member or former member described in section
- 24 1076(b) or 1076(a)(2)(B) of this title shall be deemed to
- 25 be an employee under such section.

- 1 "(5) An eligible beneficiary who is eligible to enroll
- 2 in the Federal Employees Health Benefits program as an
- 3 employee under chapter 89 of title 5 is not eligible to en-
- 4 roll in a Federal Employees Health Benefits plan under
- 5 this section.
- 6 "(c) Prohibition Against Use of MTFs and En-
- 7 ROLLMENT UNDER TRICARE.—Covered beneficiaries
- 8 under this chapter who are provided coverage under this
- 9 section shall not be eligible to receive care at a military
- 10 medical treatment facility or to enroll in a heath care plan
- 11 under the TRICARE program.
- 12 "(d) Separate Risk Pools; Charges.—(1) The
- 13 Director of the Office of Personnel Management shall re-
- 14 quire health benefits plans under chapter 89 of title 5 that
- 15 participate under this section to maintain a separate risk
- 16 pool for purposes of establishing premium rates for eligible
- 17 beneficiaries who enroll in such a plan in accordance with
- 18 this section.
- 19 "(2) The Director shall determine total subscription
- 20 charges for self only or for family coverage for eligible
- 21 beneficiaries who enroll in a health benefits plan under
- 22 chapter 89 of title 5 in accordance with this section. The
- 23 subscription charges shall include premium charges paid
- 24 to the plan and amounts described in section 8906(c) of

- 1 title 5 for administrative expenses and contingency re-
- 2 serves.
- 3 "(e) GOVERNMENT CONTRIBUTIONS.—The Secretary
- 4 of Defense shall be responsible for the Government con-
- 5 tribution for an eligible beneficiary who enrolls in a health
- 6 benefits plan under chapter 89 of title 5 in accordance
- 7 with this section, except that the amount of the contribu-
- 8 tion may not exceed the amount of the Government con-
- 9 tribution which would be payable if the electing beneficiary
- 10 were an employee (as defined for purposes of such chap-
- 11 ter) enrolled in the same health benefits plan and level
- 12 of benefits.".
- 13 (b) Conforming Amendments.—(1) The item re-
- 14 lating to section 1108 in the table of sections at the begin-
- 15 ning of chapter 55 of title 10, United States Code, is
- 16 amended to read as follows:
 - "1108. Health care coverage through Federal Employees Health Benefits program.".
- 17 (2) Section 724 of the Strom Thurmond National De-
- 18 fense Authorization Act for Fiscal Year 1999 (Public Law
- 19 105–261; 112 Stat. 2069) is amended to read as follows:
- 20 "SEC. 724. COMPREHENSIVE EVALUATION OF IMPLEMEN-
- 21 TATION OF DEMONSTRATION PROJECT AND
- TRICARE PHARMACY REDESIGN.
- "Not later than March 31, 2003, the Comptroller
- 24 General shall submit to the Committees on Armed Serv-

1	ices of the Senate and the House of Representatives a re-
2	port containing a comprehensive comparative analysis of
3	the TRICARE Senior Supplement under section 722 and
4	the redesign of the TRICARE pharmacy system under
5	section 723. The comprehensive analysis shall incorporate
6	the findings of the evaluation submitted under section
7	723(e).''.
8	(3) Chapter 89 of title 5, United States Code, is
9	amended—
10	(A) in section 8905(d), by striking ", as part of
11	the demonstration project under such section,";
12	(B) in section 8906(b)(4)—
13	(i) by striking "as part of the demonstra-
14	tion project"; and
15	(ii) by striking "subsection (i)" and insert-
16	ing "subsection (e)";
17	(C) in section 8906(g)(3)—
18	(i) by striking "as part of the demonstra-
19	tion project"; and
20	(ii) by striking "subsection (i)" and insert-
21	ing "subsection (e)"; and
22	(D) in section 8909(g), by striking "the dem-
23	onstration project under".

1	SEC. 202. IMPROVED BENEFITS UNDER CHAMPUS AND
2	TRICARE STANDARD.
3	(a) Comparability.—(1) Chapter 55 of title 10,
4	United States Code, is further amended by inserting after
5	section 1109 the following new section:
6	"§ 1110. CHAMPUS and TRICARE Standard benefits:
7	comparability with service benefit plan
8	of the Federal Employees Health Benefits
9	program
10	"(a) Benefits.—The health and dental care benefits
11	provided under CHAMPUS and TRICARE Standard
12	shall be comparable to the highest level of benefits pro-
13	vided under the service benefit plan of the Federal Em-
14	ployees Health Benefits program.
15	"(b) Provider Reimbursement Rates.—The
16	rates prescribed for the reimbursement of health and den-
17	tal care providers under CHAMPUS and TRICARE
18	Standard shall be the same as those provided for the high-
19	est level of benefits under the service benefit plan of the
20	Federal Employees Health Benefits program.".
21	(2) The table of sections at the beginning of such
22	chapter is amended by inserting after the item relating
23	to section 1109 the following new item:
	"1110. CHAMPUS and TRICARE Standard benefits: comparability with service benefit plan of the Federal Employees Health Benefits program.".

- (b) DEFINITIONS.—Section 1072 of title 10, United
 States Code, is amended—
- (1) in paragraph (4), by striking out "The term

 'Civilian Health and Medical Program of the Uni
 formed Services' means" and inserting in lieu there
 of "The terms 'Civilian Health and Medical Pro
 gram of the Uniformed Services' and 'CHAMPUS'

 mean"; and
 - (2) by adding at the end the following:
 - "(8) The term 'TRICARE Standard' means a CHAMPUS health care benefits option that, subject to the deductibles and cost-sharing requirements under CHAMPUS, pays a share of the cost of covered health care services that are provided by health care providers outside the Federal Government who are not part of the CHAMPUS network of health care providers.
- 18 "(9) The term 'Federal Employee Health Bene-19 fits program' means the Federal Employee Health 20 Benefits program under chapter 89 of title 5.".

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1 TITLE III—OTHER MATTERS

2	SEC. 301. PARTICIPATION OF MEDICARE-ELIGIBLE BENE-
3	FICIARIES IN CERTAIN DEPARTMENT OF DE-
4	FENSE PHARMACY PROGRAMS.
5	(a) In General.—Not later than October 1, 2000,
6	the Secretary of Defense shall—
7	(1) expand and make permanent the dem-
8	onstration project for pharmaceuticals by mail estab-
9	lished under subsection (a) of section 702 of the Na-
10	tional Defense Authorization Act for Fiscal Year
11	$1993\ (10\ \mathrm{U.S.C.}\ 1079\ \mathrm{note})$ in order to permit indi-
12	viduals described in subsection (b) worldwide to ob-
13	tain pharmaceuticals through the project; and
14	(2) modify each managed health care program
15	which includes a managed care network of commu-
16	nity retail pharmacies under subsection (b) of such
17	section 702 to supply prescription pharmaceuticals
18	to the individuals described in subsection (b) of this
19	section through such network in the area covered by
20	such program.
21	(b) Eligible Individual eligible
22	to obtain pharmaceuticals under this section is an
23	individual—
24	(1) who is—

1	(A) a member or former member of the
2	uniformed services described in section 1074(b)
3	of title 10, United States Code;
4	(B) a dependent of a member described in
5	subsection (a)(2)(B) or (b) of section 1076 of
6	that title; or
7	(C) a dependent of a member who died
8	while on active duty for a period of more than
9	30 days;
10	(2) who is entitled to hospital insurance bene-
11	fits under part A of title XVIII of the Social Secu-
12	rity Act (42 U.S.C. 1395 et seq.); and
13	(3) who has attained age 65.
14	(c) Fees and Charges.—(1) An eligible individual
15	described in subsection (b) shall not be charged an enroll-
16	ment fee or deductible for participation in the project or
17	a retail pharmacy network under this section.
18	(2) The Secretary of Defense may not establish or
19	collect any new fee or charge under the project referred
20	to in subsection (a)(1), or any retail pharmacy network
21	referred to in subsection (a)(2), by reason of the participa-
22	tion of eligible individuals described in subsection (b) in
23	the project or network under this section

SEC. 302. NATIONWIDE ENROLLMENT CARD UNDER THE

- 2 TRICARE PROGRAM.
- 3 (a) Requirement.—The Secretary of Defense, after
- 4 consultation with the other administering Secretaries,
- 5 shall issue to covered beneficiaries under the TRICARE
- 6 program an enrollment card which shall serve as an enroll-
- 7 ment card for participation in the TRICARE program na-
- 8 tionwide. The purpose of the enrollment card is to facili-
- 9 tate the ready portability of benefits under the TRICARE
- 10 program.
- 11 (b) DEFINITIONS.—In this section the terms "admin-
- 12 istering Secretaries" and "TRICARE program" shall have
- 13 the meanings given such terms in section 1072 of title 10,
- 14 United States Code.

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