

Goal: Getting Payments Right

Program or Activity
Military Health Benefits

Reporting Period
Q3 2020

Change from Previous FY (\$M)

\$116M

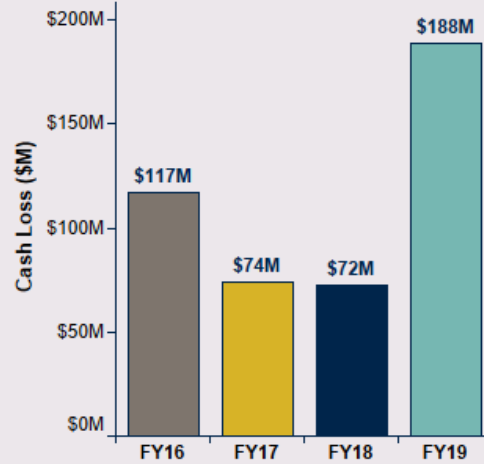


DOD
Military Health Benefits

Brief Program Description:

Tricare Private Sector Care provides care to any eligible Tricare beneficiaries who are seen by healthcare providers in the civilian healthcare marketplace. Tricare has 9.4 million eligible beneficiaries and disbursed over \$15 Billion during FY 2019.

Cash Loss by FY (\$M)



Key Milestones		Status	ECD
1	Develop mitigation strategies to get the payment right the first time	On-Track	Mar-21
2	Evaluate the ROI of the mitigation strategy	On-Track	Mar-21
3	Determine which strategies have the best ROI to prevent cash loss	On-Track	Mar-21
4	Implement new mitigation strategies to prevent cash loss	On-Track	Mar-21
5	Analyze results of implementing new strategies	On-Track	Mar-21

Quarterly Progress Goals			Status	Notes	ECD
1	Q3 2020	Perform quarterly reviews of all Contractors by monitoring and assessing healthcare claims processing performance.	On-Track	N/A	Dec-20
2	Q3 2020	Require TRICARE private sector Contractor perform an assessment of their claims processing system to determine programming errors and make necessary system modification.	On-Track	N/A	Dec-20

Recent Accomplishments		Date
1	Due to the actions taken by the Contractor, the error rate progressively reduced below contractual standard for Q1, Q2 and Q3 of FY19.	May-20
2	The Annual Cost of Healthcare Audit recoupments validation was completed for one of the private sector care Contractors. The other private sector care Contractor is in the process of submitting their recoupment report which will then be validated.	Jul-20
3	TRICARE private sector Contractor continues to perform assessment of their claims processing system to determine programming errors and make necessary system modifications.	Jul-20

Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$183M	Administrative or process errors made by: others (participating lender, health care provider, or other organization administering Federal dollars)	TRICARE healthcare claim payments were incorrectly processed by Humana, one of our private sector contractors, which consisted of errors such as cost-share/deductible, duplicate payments, inaccurate invoices, and payments made to incorrect payee.	Audit or Internal Controls	Full recovery: Overpayments to providers and hospitals will be credited back to the government on future claims payments.

Cash Loss - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.