

CHAPTER 9  
SECTION 2.2

## TRICARE/CHAMPUS AND MEDICARE

Issue Date: June 4, 1984

Authority: [32 CFR 199.4\(e\)\(3\)](#) and [32 CFR 199.4\(e\)\(5\)\(ii\)\(C\)](#) and Pub. L. 95-292, 102-172, 102-190, 102-396, 102-484, and 103-50.

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### I. ISSUE

How is TRICARE/CHAMPUS eligibility affected by eligibility for Medicare?

### II. BACKGROUND

In general, TRICARE/CHAMPUS beneficiaries, except family members of active duty members, lose their eligibility when they become eligible for Medicare. However, sections of Public Laws 102-172, 102-190, 102-396, 102-484, and 103-50 have established conditions that allow TRICARE/CHAMPUS eligibility to continue in some cases if the individual is eligible for Medicare due to disability or end-stage renal disease.

### III. POLICY

#### A. Attainment of Entitlement to Hospital Insurance Benefits (Part A) under Medicare.

Except as provided below, all TRICARE/CHAMPUS eligible persons except family members of active duty members lose their eligibility for TRICARE/CHAMPUS if they become entitled to Hospital Insurance Benefits (Part A) of Medicare. This is true even though the persons attaining such status live outside the United States where Medicare benefits are not available.

#### B. Medicare Eligibility Due to Age Limitation.

1. **Loss of TRICARE/CHAMPUS eligibility.** All TRICARE/CHAMPUS beneficiaries, except family members of active duty members, and beneficiaries not eligible for Part A of Medicare, automatically lose TRICARE/CHAMPUS eligibility on the first day of the month in which they attain age 65 on the assumption that they have become eligible for Medicare. For Medicare purposes, a person attains age 65 on the day before his/her birthday. For example, if an individual's birthday is July 1, he/she attains age 65 on June 30 and Part A Medicare eligibility begins June 1. If the person is not entitled to Part A of Medicare, he or she must file a Social Security Administration "Notice of Disallowance" certifying to that fact with the Uniformed Service Service responsible for the issuance of his or her identification card so a new card showing TRICARE/CHAMPUS eligibility can be issued.

2. Reinstatement of TRICARE/CHAMPUS eligibility. Beneficiaries who lose their TRICARE/CHAMPUS eligibility because they reached the age limitation and were eligible for Part A, cannot be reinstated under TRICARE/CHAMPUS.

C. Medicare Eligibility Due to End Stage Renal Disease.

1. Loss of TRICARE/CHAMPUS eligibility. All beneficiaries, except family members of active duty members, lose their TRICARE/CHAMPUS eligibility on the day Medicare coverage becomes available to them because of end-stage renal disease. Medicare coverage begins with the third (3rd) month after the month a course of maintenance dialysis begins, or with the month in which a patient enters the hospital to prepare to receive a transplant providing the transplant is performed within the following two months. If the transplant is not performed until more than 2 months after the preparatory hospitalization, Medicare will begin with the second month prior to the month of transplant.

EXAMPLE: If a course of dialysis began on January 1, Medicare coverage would be effective on April 1. If the course of maintenance dialysis began on January 31, Medicare coverage would still be effective April 1. Medicare waives the 3-month waiting period if the patient participates in a self-care training program (in expectation of entering self-dialysis) prior to the third month after the month a regular course of dialysis is initiated.

2. Reinstatement of TRICARE/CHAMPUS Eligibility. Beneficiaries who become eligible for Medicare because of end-stage renal disease, may be reinstated under TRICARE/CHAMPUS upon loss of Medicare because of successful treatment of the end-stage renal disease. Medicare eligibility ceases for chronic renal disease patients with the thirty-sixth (36th) month after the month in which a successful kidney transplant takes place or with the twelfth (12th) month after the month in which the course of maintenance dialysis ends. At this point TRICARE/CHAMPUS eligibility resumes if the person is otherwise still eligible. He or she is required to take action to be reinstated as a TRICARE/CHAMPUS beneficiary and to obtain a new TRICARE/CHAMPUS identification card.

*NOTE: If a transplant should fail later than thirty-six (36) months after surgery, or if an individual begins a regular course of dialysis more than 12 months after the previous course ended, Medicare eligibility will immediately be reestablished if the individual files an application, still meets the insured status requirement, and begins a regular course of dialysis or undergoes another transplant.*

3. Continuation of TRICARE/CHAMPUS eligibility. Beneficiaries who would lose their TRICARE/CHAMPUS eligibility when Medicare coverage begins due to end-stage renal disease, will continue their TRICARE/CHAMPUS eligibility if certain conditions have been met. (See [Chapter 13, Section 12.1](#) for double coverage information on payment of claims for these beneficiaries.) TRICARE/CHAMPUS eligibility will continue if:

- a. The individual is under 65 years old; and
- b. The individual is enrolled in Part B of Medicare and remains enrolled throughout the time services are received for which a claim is submitted to TRICARE/CHAMPUS; and

- c. The individual's Medicare eligibility is based on end-stage renal disease; and
- d. The individual has applied and qualified for continued TRICARE/CHAMPUS eligibility through the Defense Eligibility Enrollment System (DEERS).

*NOTE: Continuation of TRICARE/CHAMPUS eligibility is effective on the later of October 1, 1991, or the date the individual first meets the eligibility requirements above.*

D. Donor Costs When the Patient is a Medicare Beneficiary and the Donor is a TRICARE/CHAMPUS Beneficiary.

In most instances, for costs related to kidney transplants, Medicare (not TRICARE/CHAMPUS) benefits will be applicable. If a TRICARE/CHAMPUS beneficiary participates as a kidney donor for a Medicare beneficiary, Medicare will pay for expenses in connection with the kidney transplant to include all reasonable preparatory, operation and post-operation recovery expenses associated with the donation (postoperative recovery expenses are limited to the actual period of recovery).

E. Medicare Eligibility Due to Disability.

1. Loss of TRICARE/CHAMPUS eligibility. All beneficiaries, except family members of active duty members, lose their TRICARE/CHAMPUS eligibility on the day Medicare coverage becomes available to them because of disability. Medicare coverage begins automatically when the individual has been entitled to Social Security disability benefits for twenty-four months.

2. Continuation of TRICARE/CHAMPUS eligibility. Beneficiaries who would lose their TRICARE/CHAMPUS eligibility when Medicare coverage begins due to disability, will continue their TRICARE/CHAMPUS eligibility if they meet the same conditions cited in [paragraph III.C.3.a., b., and d.](#) above, for end-stage renal disease. (See [Chapter 13, Section 12.1](#) for double coverage information on payment of claims for these beneficiaries.) The effective date for this continuation is the same as for end-stage renal disease.

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