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Chapter 25

TRICARE Young Adult (TYA)

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TRICARE Young Adult (TYA)

1.0 GENERAL

TYA is premium-based TRICARE coverage available for purchase by qualified young adult dependents under the age of 26 who are no longer eligible for TRICARE at age 21 (age 23 if enrolled in a full-time course of study at an institution of higher learning approved by the Secretary of Defense and more than 50% dependent on the uniformed service sponsor for financial support). Section 702 of the Ike Skelton National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2011 (Public Law 111-383) established the authority for the TYA program and created Section 1110b, Chapter 55, 10 United States Code (USC).

The effective date of coverage is January 1, 2011. Only TYA Standard/Extra coverage will be initially offered. Young adult dependents may purchase retroactive coverage back to January 1, 2011, until September 30, 2011. TYA Prime coverage will be added upon direction from the Contracting Officer (CO), but without retroactive coverage.

1.1 Benefits/Scope Of Care

When TYA coverage becomes effective, qualified beneficiaries receive the benefits of the TRICARE program purchased, including access to Military Treatment Facilities (MTFs) and pharmacies. TYA coverage features the per service cost-share, deductible, and catastrophic cap provisions of the TRICARE plan purchased based on the status of the uniformed service sponsor and the geographical location of the young adult dependent. Premiums are not credited to deductibles or catastrophic caps. The provisions of [32 CFR 199.16\(a\)\(3\)](#) concerning the Supplemental Health Care Program (SHCP) for dependents under the care of the MTF apply to TYA.

1.2 Specific Programs Not Available Under TYA

Specific programs not available under TYA include those listed below:

- TRICARE Dental Program (TDP) and the TRICARE Retiree Dental Program (TRDP) are not part of the medical programs under Chapter 55, 10 USC and, therefore, not covered under TYA. Eligibility for these dental programs ends when the dependent turns age 21 (age 23 if enrolled in a full-time course of study at an institution of higher learning approved by the Secretary of Defense) or as otherwise indicated in the implementing regulations for those programs.
- Continued Health Care Benefit Program (CHCBP).
- TRICARE Reserve Select (TRS) if the young adult dependent is a Selected Reserve member in his or her own right.

2.0 TYA COVERAGE

2.1 TYA is a premium based program which allows an eligible young adult dependent to purchase medical coverage. TYA offers individual coverage only with an individual fee “paid-through date” for each TYA purchaser. A separate monthly premium will be charged for each young adult dependent even if there is more than one qualified dependent in the uniformed service sponsor’s family who purchases TYA coverage. Dependents qualifying for TYA coverage can purchase individual coverage according to the rules governing the TRICARE programs for which they are qualified on the basis of their uniformed service sponsor’s status (active duty, retired, Selected Reserve, or Retired Reserve). Young adult dependents can purchase TRICARE coverage plans that are offered in their geographic area, i.e., TRICARE Standard/Extra and TRICARE Prime.

2.2 Each year the government will determine the monthly premium rates payable by young adult dependents for TYA coverage. The government will provide the premium rates to the contractor no later than (NLT) 60 calendar days prior to the effective date. Unless otherwise specified or directed, the premium rate will be in effect for a full calendar year **on the date specified in Addendum A.**

3.0 QUALIFYING TO PURCHASE TYA COVERAGE

In order to purchase TYA coverage, young adult dependents who meet the qualifications listed in [paragraph 3.1](#) must be listed in the Defense Enrollment Eligibility Reporting System (DEERS) database. The Defense Manpower Data Center (DMDC) will ensure that dependents meeting the qualifications will be reflected as eligible to purchase or continue TYA coverage if the uniformed service sponsor is eligible for health care under Chapter 55, 10 USC or Chapter 58, 10 USC Section 1145(a), Transitional Assistance Management Program (TAMP). The contractor shall rely solely upon DEERS to identify young adult dependents qualified to purchase TYA coverage. The contractor shall refer young adult dependents and uniformed service sponsors to a Real-Time Automated Personnel Identification System (RAPIDS) site if the dependent is not found in DEERS; for other eligibility issues follow the procedures listed in the TRICARE System Manual (TSM), [Chapter 3, Section 1.5](#). Qualifications to purchase TYA are listed in [paragraph 3.1](#), and are provided for the contractor’s information only.

3.1 Dependent Qualifications For Purchase Of TYA Coverage

A young adult dependent qualifies to purchase TYA coverage if the dependent meets the following criteria:

- Would be a dependent child under Chapter 55, 10 USC Section 1072(2) but for exceeding the age limit under that section; and
- Is a dependent under the age of 26; and
- Is not eligible for medical coverage from an eligible employer-sponsored health plan from the young adult dependent’s employer as defined in Section 5000A(f)(2) of the Internal Revenue Code of 1986; and
- Is not married; and

amount is equal to 1/30th of the appropriate premium (rounded to the penny) regardless of how many days are actually in the month.

5.2.2 The contractor shall collect monthly premium payments from TYA purchasers as appropriate and shall report the premium amount paid for those payments, including for any overpayments that are not refunded to the purchaser, to DEERS. (See the TSM, [Chapter 3](#).) In the event that there are insufficient funds to process a premium payment, the contractor may assess the account holder a fee of up to 20 U.S. dollars (\$20.00). The contractor shall provide commercial payment methods for TYA premiums that best meet the needs of beneficiaries while conforming to [paragraphs 5.2.3](#) through [5.2.8](#).

5.2.3 Monthly premiums must be paid through an automated, recurring electronic payment through an EFTs or a RCC from a designated financial institution. These are the only acceptable payment methods for the recurring monthly premiums. An EFT/RCC payment shall be processed within the first five business days of the month of coverage.

5.2.4 Purchasers must pay at least the first initial payment as specified in [paragraph 4.1](#)) at the time the TYA application is submitted to allow time for the EFT/RCC to be established. The contractor shall accept payment of the first installment by personal check, cashier's check, traveler's check, money order, or credit card (e.g., Visa/MasterCard).

5.2.5 The contractor shall initiate recurring monthly EFTs/RCCs and is responsible for obtaining and verifying the information necessary to do so.

5.2.6 The contractor shall initiate action to modify EFT/RCC payment amounts to support premium changes.

5.2.7 The contractor shall direct bill the young adult dependent only when a problem occurs in setting up or maintaining the EFT or RCC. Bills may be sent to the residential or mailing address designated by the young adult dependent.

5.2.8 When an administrative issue arises that stops or prevents an automated monthly payment from being received by the contractor (e.g., incorrect or transposed number provided by the beneficiary, credit card expired, bank account closed, etc.), the contractor shall grant the TYA purchaser 30 days after the paid-through date to provide information for a new automated monthly payment method. The contractor may accept payment in accordance with [paragraph 5.2.4](#) during this 30 day period in order to preserve the beneficiary's TYA enrollment status.

5.3 Annual Premium Adjustment

Contractors shall notify current purchasers in writing of any annual premium adjustments NLT 30 days after the contractors receive notification of the updated premiums. The notification shall include the new amount for TYA coverage ([see Addendum A](#)) and will include the following statement:

"You must notify us if you:

- **Become** eligible for **employer-sponsored** medical coverage **based on your own employment** as defined in section 5000A(f)(2) of the Internal Revenue Code of 1986;

- Marry;
- Are a uniformed services member on active duty greater than 30 days; or
- Are a uniformed services member of the Selected Reserves.

If any of the above occurs, you must notify us by submitting a request to terminate your TYA coverage to preclude recoupment actions and to request a refund of any overpaid premiums, as applicable.”

6.0 CLAIMS PROCESSING

6.1 The contractor shall process TYA claims using established TRICARE cost-sharing rules and guidance based on the sponsor’s status and the TYA plan purchased. Normal claims jurisdiction rules apply (see [Chapter 8, Section 2](#)). Normal TRICARE Other Health Insurance (OHI) processing rules apply to TYA except for claims from eligible employer-sponsored health plans. See [paragraph 6.6](#).

6.2 Non-Availability Statement (NAS) requirements shall apply to young adult dependents in the same manner as under the corresponding TRICARE plan.

6.3 If a young adult dependent purchases TYA coverage during the same fiscal year that he or she had another TRICARE health plan in effect, the individual cost-shares, contributions to the individual and family deductibles, and contributions to the family catastrophic cap from the other TRICARE health plan still apply in that fiscal year and shall not be recalculated. If retroactive TYA coverage is purchased and replaces previously purchased CHCBP coverage, cost-shares, contributions to deductibles, or contributions to the catastrophic cap amounts previously paid under CHCBP shall be carried over to a TYA plan. Otherwise, any cost-shares, contributions to deductibles, or contributions to the catastrophic cap amounts previously paid under CHCBP shall not be carried over to a TYA plan.

6.4 Medicare is the primary payer for TRICARE beneficiaries who are eligible for Medicare. Claims under the TRICARE Dual Eligible Fiscal Intermediary Contract (TDEFIC) will be adjudicated under the rules set forth in the TRICARE Reimbursement Manual (TRM), [Chapter 4, Section 4](#). The contractors shall follow procedures established in [Chapter 8, Section 2](#) regarding claims jurisdiction for dual eligibles. Payment of Medicare Part B premiums do not provide a basis to waive TYA premiums.

6.5 If the contractor receives a PNT notifying them of a retroactive TYA disenrollment the contractor shall initiate recoupment of claims paid if appropriate as specified in [Chapter 10](#).

6.6 If at any time the contractor discovers that the young adult dependent may be eligible or is enrolled in an eligible employer-sponsored health plan from their employer, the contractor shall report the discovery to the appropriate waiver approval authority NLT one business day after discovery. Claims may be pended or held until a final decision is reached. As applicable, the contractor shall follow [paragraph 4.3](#) and its subordinate paragraphs for loss of TYA eligibility.

7.0 BENEFICIARY EDUCATION AND SUPPORT DIVISION (BE&SD)

In addition to BE&SD functions specified throughout this chapter, the contractor shall perform BE&SD functions to the same extent as they do for other TRICARE plans.

7.1 Customer Education

7.1.1 Materials (i.e., public notices, flyers, informational brochures, web site, etc.) will be developed and distributed centrally by Department of Defense (DoD), Defense Health Agency (DHA), Office of BE&SD. The contractor shall distribute all informational materials associated with the TYA program to the same extent and through the same means as other TRICARE materials are distributed. Copies of TYA informational materials may be obtained through the usual DHA BE&SD process.

7.1.2 Upon start of coverage under TYA, the DMDC-generated enrollment notification will include information on how purchasers can obtain TYA and other TRICARE plan materials over the Internet or how to request fulfillment materials from the contractor. The servicing contractor shall send fulfillment materials only upon request.

7.2 Customer Service

The contractor shall provide all customer service support to young adult dependents in a manner equivalent to that provided to other TRICARE beneficiaries.

8.0 ANALYSIS AND REPORTING

TYA workload shall be included, but not separately identified, in all reports.

9.0 PAYMENTS FOR CONTRACTOR SERVICES RENDERED

9.1 Claims Reporting

The contractor shall report TYA program claims according to [Chapter 3](#). The contractor shall process payments on a non-financially underwritten basis for the health care costs incurred for each TYA claim processed to completion according to the provisions of [Chapter 3](#).

9.2 Fiduciary Responsibilities

9.2.1 The contractor shall act as a fiduciary for all funds acquired from TYA premium collections, which are government property. The contractor shall develop strict funds control processes for its collection, retention and transfer of premium funds to the government. All premium collections received by the contractor shall be maintained in accordance with these procedures.

9.2.2 Premiums shall be deposited into a non-interest bearing account to collect and disburse TYA premiums. The contractor shall deposit TYA premium collections to the established account within one business day of receipt. A separate bank account is not required; however, individual line item reporting for the TYA program is required.

9.2.3 The contractor shall wire-transfer the premium collections, net of refund payments, monthly to a specified government account as directed by the DHA Contract Resource Management (CRM) Finance And Accounting Office (F&AO). The government will provide the contractor with information for this government account. The contractor shall notify the DHA CRM F&AO, by e-mail, within one business day of the deposit, specifying the date and amount of the deposit as well as its purpose (i.e., TYA premiums).

9.2.4 The contractor shall maintain a system for tracking and reporting premium billings, collections, and starts of coverage. The system is subject to government review and approval.

9.2.5 The contractor shall electronically submit monthly reports of premium activity supporting the wire transfer of dollars as described in the Contract Data Requirements List (CDRL) DD Form 1423.

10.0 CHCBP TO TYA PROCEDURES

Young adult dependents who qualify for TYA coverage and were previously or are currently enrolled in the CHCBP may elect to purchase TYA.

10.1 Enrollment Procedures

Enrollment actions must be coordinated between the CHCBP contractor and the TYA enrolling contractor. The CHCBP contractor will provide contact information to the enrolling contractors to coordinate CHCBP to TYA enrollments.

10.1.1 CHCBP Coverage Was Terminated More Than 30 Days Before Receipt of TYA Application and Young Adult Dependent Is Not Eligible for Continuation or Retroactive TYA Coverage

The enrolling contractor will validate in DEERS that the CHCBP enrollment was terminated more than 30 days from the date of the TYA application. The TYA enrolling contractor will process the TYA application according to [paragraph 4.1.2](#).

10.1.2 Currently Enrolled in CHCBP or TYA Application Received Within 30 Days of Termination of CHCBP Coverage

Upon receipt of a TYA application for someone currently enrolled in or within 30 days of termination of CHCBP coverage, the enrolling contractor will request the CHCBP contractor to disenroll the young adult dependent from CHCBP with an effective date one day prior to the requested start date. The CHCBP contractor will terminate the CHCBP coverage based on the TYA effective date or the CHCBP paid-through date, whichever is earlier. The CHCBP contractor will recalculate the amount of premiums required for the remaining CHCBP coverage, and refund any overpayment of CHCBP premiums. The refund shall include an explanation that the refund amount represents a refund of CHCBP premiums as a result of the TYA enrollment and how the refund amount was calculated.

10.2 CHCBP Premium Refund Procedures

CHCBP premium refunds do not need to be approved by the DHA CRM F&AO prior to making a payment to the beneficiary. The refunds should be reduced from the CHCBP premiums collected during a given month and the net amount sent to the DHA CRM F&AO as required by TPM, [Chapter 10, Section 4.1](#).

10.3 Refunds for Overpayment of Family Deductible and/or Catastrophic Caps

10.3.1 Upon termination of CHCBP coverage with retroactive TYA coverage for the same period, the CHCBP contractor will review CHCBP claims history for the retroactive period, and post any CHCBP cost-shares and deductibles to the TRICARE family deductible and catastrophic cap as a TYA claim, ensuring the amounts posted do not exceed the applicable catastrophic cap and deductible limits. Cost-shares over the catastrophic cap and deductible limit will be refunded.

10.3.2 Refunds for overpayments of family deductible and/or catastrophic cap must be approved by the DHA CRM F&AO before being released/mailed. Payments will be processed under manual payment procedures as required by contract requirements. Supporting documentation for these payments will be provided no more often than weekly and no less than monthly to the DHA CRM F&AO by the CHCBP contractor and will include the name, DoD Benefits Number, the calculation of the refund, and the amount being refunded. Upon approval from the DHA CRM F&AO, the CHCBP contractor will release payments for refunds of the overpaid amounts.

10.4 TRICARE Encounter Data (TED) Records For Claims Previously Processed As CHCBP and Affected by a Retroactive TYA Enrollment

Prior TED records processed as CHCBP and affected by a TYA retroactive enrollment should be reprocessed as follows:

10.4.1 Upon notification from the CHCBP contractor, appropriate Pharmacy TED records shall be adjusted by the Pharmacy contractor to indicate the appropriate TYA HCDP Plan Coverage Code and Enrollment/Health Plan Code. These records are to be submitted on a TED Header Type Indicator 6. Administrative claim payments for these adjustments will be manually billed to DHA.

10.4.2 TED records, other than pharmacy, where the claim jurisdiction indicates South Region will be cancelled and replaced by the CHCBP contractor. The new TED record will retain all the original claim data except the appropriate TYA HCDP Plan Coverage Code and Enrollment/Health Plan Code will replace the CHCBP enrollment codes. These records are to be submitted on a TED Header Type Indicator 6.

10.4.3 TED records, other than pharmacy, with a claim jurisdiction other than the South Region will be adjusted by the CHCBP Contractor to indicate the appropriate TYA HCDP Plan Coverage Code and Enrollment/Health Plan Code. These records are to be submitted on a TED Header Type Indicator 6. Administrative claim payments for these adjustments will be manually billed to DHA.

11.0 CODING OF TED RECORDS

When the secondary HCDP Coverage Code is 400 (Extended Care Health Option (ECHO)) and the TYA beneficiary is receiving care considered an ECHO benefit, the contractor shall submit the primary TYA HCDP Plan Coverage Code and Special Processing Codes 'PF' or 'AU' as appropriate on the TED record.

- END -

TRICARE Young Adult (TYA) Premiums

FIGURE 25.A-1 TYA PREMIUMS

EFFECTIVE FOR COVERAGE BEGINNING	MONTHLY PREMIUM	TYPE OF COVERAGE	AUTHORITY
January 1, 2011	\$186 \$213	TRICARE Standard Plans TRICARE Prime Plans	Health Affairs (HA) Policy 11-004, April 19, 2011
January 1, 2012	\$176 \$201	TRICARE Standard Plans TRICARE Prime Plans	HA Policy, October 17, 2011
January 1, 2013	\$152 \$176	TRICARE Standard Plans TRICARE Prime Plans	HA Policy 12-007, September 6, 2012
January 1, 2014	\$156 \$180	TRICARE Standard Plans TRICARE Prime Plans	HA Policy 13-007, August 22, 2013
January 1, 2015	\$181 \$208	TRICARE Standard Plans TRICARE Prime Plans	HA Policy 14-022, September 17, 2014
January 1, 2016	\$228 \$306	TRICARE Standard Plans TRICARE Prime Plans	HA Policy 15-012, October 22, 2015

- END -

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