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TRICARE
MANAGEMENT ACTIVITY

MB&RB

**CHANGE 64
6010.57-M
APRIL 20, 2012**

**PUBLICATIONS SYSTEM CHANGE TRANSMITTAL
FOR
TRICARE POLICY MANUAL (TPM), FEBRUARY 2008**

The TRICARE Management Activity has authorized the following addition(s)/revision(s).

CHANGE TITLE: TRICARE PHARMACY (TPHARM) FEDERAL PRICING AGREEMENT

CONREQ: 14987

PAGE CHANGE(S): See page 2.

SUMMARY OF CHANGE(S): This change allows enforcement of language included in the National Defense Authorization Act (NDAA) 2008 that restricts access to covered drugs at retail pharmacies if the manufacturer has failed to sign a pricing agreement with the Department of Defense (DoD).

EFFECTIVE DATE: May 1, 2012.

IMPLEMENTATION DATE: Upon direction of the Contracting Officer.

Ann N. Fazzini

**Ann N. Fazzini
Chief, Medical Benefits and
Reimbursement Branch**

**ATTACHMENT(S): 2 PAGE(S)
DISTRIBUTION: 6010.57-M**

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REMOVE PAGE(S)

CHAPTER 8

Section 9.1, pages 5 and 6

INSERT PAGE(S)

Section 9.1, pages 5 and 6

- 4.2.1** Pend all claims for the beneficiary;
- 4.2.2** Establish the necessity for the pharmaceutical agents and their appropriateness based on diagnosis or definitive symptoms;
- 4.2.3** Deny all related claims if a drug abuse situation does exist, including office visits or emergency room visits if the purpose of the visit was to obtain pharmaceutical agents; and
- 4.2.4** Reopen prior claims (most recent 12 months) for the beneficiary and review those claims to determine whether or not drug abuse existed at the time the earlier claims were paid. If drug abuse is ascertained for prior claims, recoupment action shall be taken for the erroneous payments.
- 4.3** The contractor shall request the beneficiary to select a physician, who will act as the primary care physician coordinating all care and making referrals when appropriate. For Prime enrollees, the contractors shall take action to manage the beneficiary's treatment as appropriate. The contractor shall not submit these cases to the TMA Program Integrity (PI) Office unless potential fraud, such as altered prescriptions or drug receipts, or aberrant prescribing patterns by the physician is identified.
- 4.4** Additionally, beneficiaries will be required to designate a primary care provider responsible for managing all prescriptions. Beneficiaries will be informed that any prescription written by other than the designated provider shall be denied authorization for dispensing through network retail pharmacies and, additionally, that any TRICARE claim for prescriptions filled by a non-network retail pharmacy will be denied reimbursement. This process will be coordinated between the managed care support contractor, the pharmacy contractor, and the Pharmacy Operations Center (POC).
- Note:** Beneficiaries are entitled to benefits by law. Beneficiaries cannot be sanctioned to preclude them from seeking benefits for medical care which is appropriate and medically necessary.

5.0 PRICING STANDARDS FOR RETAIL PHARMACY PROGRAM

As required by 10 USC 1074g(f), with respect to any prescription filled after January 28, 2008, the TRICARE Retail Pharmacy program shall be treated as an element of the DoD for purposes of the procurement of drugs by Federal agencies under 38 USC 8126 to the extent necessary to ensure pharmaceuticals paid for by the DoD that are provided by pharmacies under the program to eligible covered beneficiaries are subject to the pricing standards in such section 8126. A written agreement by a manufacturer to honor the pricing standards required by 10 USC 1074g(f) is a requirement for all pharmaceuticals provided through retail network pharmacies. If a manufacturer has not executed such an agreement then the prescription will not be filled by the network retail pharmacy unless the patient/pharmacy has obtained a preauthorization for the drug.

6.0 EFFECTIVE DATES

- 6.1** Labeled uses: the date of FDA approval for the specific indication.
- 6.2** Off-labeled uses: the date that reliable evidence establishes the safety and efficacy of the drug for that specific use.

TRICARE Policy Manual 6010.57-M, February 1, 2008

Chapter 8, Section 9.1

Pharmacy Benefits Program

6.3 Orphan pharmaceutical agents: the date of FDA marketing approval.

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