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Report to Congressional Committees

February 2020

DEFENSE HEALTH CARE

DOD Surveys Indicate Beneficiary Experience Generally Unchanged in First Year of TRICARE Select

GAO-20-318

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GAO Highlights

Highlights of GAO-20-318, a report to congressional committees

Why GAO Did This Study

DOD provided health care to more than 9 million eligible beneficiaries through TRICARE in fiscal year 2018. Most of these beneficiaries were enrolled in TRICARE's managed care plan—TRICARE Prime. However, about 2 million beneficiaries received care primarily from civilian providers through TRICARE's non-Prime options: TRICARE Standard and Extra. Effective January 1, 2018, these two options were eliminated and TRICARE Select was implemented. TRICARE Select has similar benefits for provider choice and obtaining care from civilian providers as TRICARE Standard and Extra, but includes access standards to ensure at least 85 percent of enrollees are covered by TRICARE's network of civilian providers, among other things.

The National Defense Authorization Act (NDAA) for Fiscal Year 2008 included a provision for GAO to review results of DOD surveys of non-Prime beneficiaries and civilian providers. Additionally, the NDAA for Fiscal Year 2017 included a provision for GAO to review access to care after implementation of TRICARE Select in 2018. This report addresses both provisions.

GAO analyzed DOD's survey results to determine changes after implementation of TRICARE Select in (1) non-Prime beneficiaries' ratings of TRICARE, (2) non-Prime beneficiaries' reported ability to find providers and obtain appointments, and (3) civilian providers' reported acceptance of TRICARE. GAO analyzed the results of the 2017-2019 surveys, and interviewed agency officials and DOD contractors.

DOD provided technical comments, which GAO incorporated as appropriate.

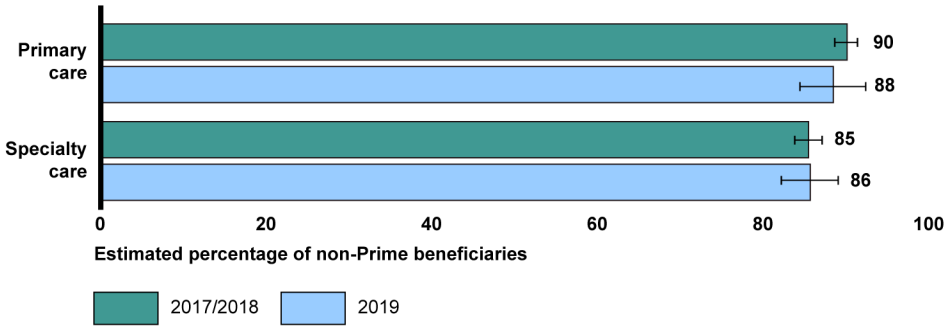
View GAO-20-318. For more information, contact James Cosgrove at (202) 512-7114 or cosgrovej@gao.gov.

What GAO Found

On January 1, 2018, the Department of Defense (DOD) implemented a new health plan option—TRICARE Select—for beneficiaries who primarily obtain care from civilian providers rather than through TRICARE's managed care plan—TRICARE Prime. DOD surveys indicate few changes in these non-Prime beneficiaries' satisfaction and access to care during the first year following the implementation of TRICARE Select, though GAO cannot directly attribute these differences to implementation due, in part, to other changes in the TRICARE program during the same time frame. Specifically, GAO found the following:

- There was no change in the percent of beneficiaries reporting positive ratings of their TRICARE health care and health plans—80 percent and 68 percent, respectively—in the first year of TRICARE Select.
- There was an increase in the percent of beneficiaries reporting problems accessing specialty providers from 18 to 24 percent in the first year of TRICARE Select. However, as the figure shows, there was no statistically significant change in the percent of beneficiaries reporting they received care as soon as needed for primary and specialty care appointments.

Non-Prime TRICARE Beneficiaries Who Reported Obtaining Appointments as Soon as Needed, 2017/2018 and 2019 Surveys



Source: GAO analysis of Department of Defense data. | GAO-20-318

Notes: The Department of Defense surveys of beneficiaries who do not participate in TRICARE's managed care plan—non-Prime beneficiaries—present data from before (2017 and 2018 combined) and after (2019) implementation of TRICARE Select. GAO considered respondents to have obtained appointments when needed if they answered "usually" or "always" to questions that asked: In the last 12 months, how often did you (1) get an appointment for a check-up or routine care at a doctor's office or clinic (i.e., primary care) as soon as you needed, or (2) get an appointment to see a specialist (i.e., specialty care) as soon as you needed?

Error bars display 95 percent confidence levels for estimates, rounded to a whole number. Differences between the 2017/2018 and 2019 surveys are not statistically significant.

- There was no change in the percent of providers that reported accepting new TRICARE patients if they were also accepting any new patients—about 90 percent of primary care and specialty care providers, and 47 percent of mental health care providers—in the first year of TRICARE Select.

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Abbreviations

DOD	Department of Defense
NDAA	National Defense Authorization Act
PSA	Prime Service Area

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Washington, DC 20548

February 27, 2020

The Honorable James M. Inhofe
Chairman
The Honorable Jack Reed
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Adam Smith
Chairman
The Honorable Mac Thornberry
Ranking Member
Committee on Armed Services
House of Representatives

In fiscal year 2018, the Department of Defense (DOD) offered health care services to more than 9 million eligible beneficiaries in the United States and abroad through TRICARE.[1] Prior to 2018, beneficiaries primarily had a choice between three health plan options—TRICARE Prime, TRICARE Standard, and TRICARE Extra—to obtain care either from military hospitals and clinics, referred to as military treatment facilities, or from civilian providers. Most beneficiaries were enrolled in TRICARE Prime, TRICARE's managed care plan.[2] However, about 2 million beneficiaries received care primarily from civilian providers through TRICARE's non-Prime options—TRICARE Standard and TRICARE Extra.[3] The National Defense Authorization Act (NDAA) for Fiscal Year 2017 terminated TRICARE Standard and Extra beginning on January 1, 2018, and

[1]Eligible beneficiaries include active duty personnel and their dependents, medically eligible National Guard and Reserve servicemembers and their dependents, and retirees and their dependents and survivors, among others. Active duty personnel include Reserve component members on active duty for at least 30 days.

[2]TRICARE Prime beneficiaries work with a primary care manager who provides most of their care, and refers them to specialists when needed.

[3]Active duty servicemembers are required to use TRICARE Prime. TRICARE offers several other plans, including TRICARE Reserve Select (for certain Reserve servicemembers and their dependents), TRICARE Retired Reserve (for certain retired Reserve servicemembers and their families), TRICARE Young Adult (Prime and Select options, for servicemembers' dependents who are at least age 21 but not yet 26 years old), and TRICARE for Life for TRICARE beneficiaries who are eligible for Medicare and enroll in Part B.

introduced TRICARE Select—a new plan option for beneficiaries to obtain care primarily from civilian providers.

Since TRICARE's inception in 1995, beneficiaries have raised concerns about difficulties finding civilian providers who will accept them as patients. In response to these concerns about access to care, the NDAA for Fiscal Year 2008 directed DOD to conduct a multi-year survey (2008-2011) of non-Prime beneficiaries and a multi-year survey (2008-2011) of civilian providers to determine the adequacy of beneficiaries' access to health care providers.[4] The multi-year surveys were continued for 2012-2015, and most recently from 2017-2020.[5] The NDAA for Fiscal Year 2008 also included a provision for us to conduct recurring reviews of a series of issues related to the adequacy of non-Prime TRICARE beneficiaries' access to care, including a review of information gleaned from the beneficiary and civilian provider surveys, and to report on these issues on a biannual basis.[6]

Since TRICARE Select's implementation, there also have been complaints from some non-Prime beneficiaries that they did not know about this new plan and that their ability to find certain types of providers—particularly mental health providers—that accept TRICARE has decreased. The NDAA for Fiscal Year 2017 directed us to review TRICARE Select beneficiary access and satisfaction, civilian provider acceptance of new TRICARE patients, and how these have changed since the implementation of TRICARE Select in 2018.

[4]Pub. L. No. 110-181, § 711(a), 122 Stat. 3, 190-191. (2008). DOD called these surveys the TRICARE Standard Surveys of Beneficiaries and the TRICARE Standard Surveys of Providers.

[5]The NDAA for Fiscal Year 2012 directed DOD to continue both of these surveys for an additional 4-year period (2012-2015). See Pub. L. No. 112-81, § 721(a), 125 Stat. 1298, 1478 (2011). The Carl Levin and Howard P. "Buck" McKeon NDAA for Fiscal Year 2015 then directed DOD to continue both of these surveys for an additional 4-year period (2017-2020). Pub. L.No. 113-291, § 712, 128 Stat. 3292, 3414 (2014).

[6]Pub. L. No. 110-181, § 711(b), 122 Stat. 3, 192 (2008). This reporting time frame was first amended in the NDAA for Fiscal Year 2012 to biennial reporting instead of biannual reporting. Pub. L. No. 112-81, § 721(b), 125 Stat. 1298, 1479 (2011). Subsequently, the NDAA for Fiscal Year 2015 amended GAO's reporting requirements to issue two remaining reports—one in 2017 and one in 2020. Pub. L. No. 113-291, § 712, 128 Stat. 3292, 3414 (2014). See *Defense Health Care: TRICARE Surveys Indicate Nonenrolled Beneficiaries' Access to Care Has Generally Improved,* GAO-18-361 (Washington, D.C.: Mar. 29, 2018) for the first of these reports.

This report addresses provisions in the NDAA for Fiscal Year 2008, as amended, and the NDAA for Fiscal Year 2017 for us to report on the adequacy of non-Prime TRICARE beneficiaries' access to care. Specifically, this report describes the extent to which

1. non-Prime TRICARE beneficiaries' ratings of TRICARE have changed since the implementation of TRICARE Select;
2. non-Prime TRICARE beneficiaries' reported ability to find providers and obtain appointments has changed since the implementation of TRICARE Select; and
3. civilian providers' reported acceptance of TRICARE patients has changed since the implementation of TRICARE Select.

To determine the extent to which non-Prime TRICARE beneficiaries' ratings of TRICARE changed since the implementation of TRICARE Select, we obtained and analyzed 3 years of survey results from DOD's TRICARE Survey of Beneficiaries for 2017-2020. Specifically, we analyzed data related to beneficiaries' ratings of certain aspects of their TRICARE experiences, such as their ratings of health care, health plan, and primary, specialty, and mental health care providers.[7] To compare how these ratings had changed after the TRICARE Select implementation, we compared combined data from the first 2 completed years of the survey (2017 and 2018)—which reflects beneficiary experiences under TRICARE Standard and Extra—to the most recent completed year of the survey (2019)—which reflects beneficiary experiences in the first year under TRICARE Select.[8]

To determine the extent to which non-Prime TRICARE beneficiaries' reported access to care has changed since the implementation of TRICARE Select, we analyzed data from DOD's beneficiary survey. We

[7]DOD reports beneficiaries' ratings as positive if they are an 8, 9, or 10 on a 0-10 point scale. We did the same in our analysis.

[8]The surveys ask about the recipient's previous 12 months' experience with TRICARE. The 2017 and 2018 years of the beneficiary survey were fielded from November 8, 2016 through February 24, 2017, and from October 23, 2017 and January 25, 2018, respectively. Although the 2018 beneficiary survey was in the field after the implementation of TRICARE Select on January 1, 2018, DOD officials told us that they still consider the 2018 beneficiary survey to represent those beneficiaries' views before the TRICARE Select implementation. The 2019 beneficiary survey was fielded from January 2019 to April 2019. We limited this analysis to beneficiaries who indicated that they relied on TRICARE Standard/Extra (for those surveyed in 2017/2018) or TRICARE Select (for 2019) for most of their care in the previous year.

analyzed these data to determine if non-Prime beneficiaries indicated that they had problems finding providers that would accept TRICARE, that they were able to obtain appointments as soon as they wanted, and how quickly they were able to see providers.[9] We compared the combined data from the 2017 and 2018 beneficiary surveys to data from the 2019 survey to identify changes since the implementation of TRICARE Select.[10] We then compared these data between different geographic location types and provider types, where applicable. In addition, we met with DOD's two managed care support contractors to determine how they were ensuring access to care for these beneficiaries.

To determine the extent to which civilian providers' reported acceptance of TRICARE patients has changed since the implementation of TRICARE Select, we obtained and analyzed survey data from DOD's TRICARE Survey of Providers for 2017-2020. Specifically, we analyzed the data to determine whether civilian providers were accepting any new TRICARE patients, and accounted for whether they were accepting any other new patients. We compared the combined data from the 2017 and 2018 provider surveys to data from the 2019 survey to identify changes since the implementation of TRICARE Select.[11] We also compared these data between different geographic location types, provider types, and whether a provider was participating in the TRICARE network of providers.

For each objective, we assessed the reliability of the data from DOD's surveys by speaking with knowledgeable officials, conducting statistical testing, and reviewing relevant documentation. We previously reported that DOD's implementation of its 2008-2011 and 2012-2015 beneficiary

[9]For mental health care, the survey question asked beneficiaries how much of a problem it was to get the "treatment or counseling you needed through your health plan," and not necessarily to find a provider that would accept TRICARE.

[10]DOD's multi-year survey is designed so that 4 years of data create a nationally representative sample to be analyzed collectively. As a result, each year of data represents the beneficiaries or providers who responded to a single wave of the 4-year survey. For the purposes of this report, we refer to these waves as the 2017/2018 surveys and 2019 survey.

[11]The surveys ask about the recipient's previous 12 months' experience with TRICARE. The provider surveys for 2017 and 2018 were fielded from January 6, 2017 through March 20, 2017, and from October 13, 2017 through January 5, 2018, respectively. Even though the 2018 provider survey was in the field after the implementation of TRICARE Select on January 1, 2018, DOD officials told us that they still consider the 2018 provider survey to represent the civilian providers' views before the TRICARE Select implementation. The 2019 provider survey was fielded from October 12, 2018 through January 4, 2019.

and civilian provider surveys generally addressed the requirements outlined in the NDAA 2008.[12] DOD made several minor revisions to the methodologies of the 2017-2020 surveys, but we determined that the surveys continue to address the requirements outlined in the NDAA 2008, as amended. DOD calculated the response rates for its 2017-2019 beneficiary surveys and civilian provider surveys to be about 19 percent and 29 percent, respectively.[13] We verified that the surveys' results were representative of the areas surveyed by reviewing DOD's nonresponse analyses for these surveys and by interviewing DOD officials.[14]

Two factors affect our ability to directly attribute differences in survey results to the implementation of TRICARE Select: 1) There were other significant changes to the TRICARE health plans between 2017/2018 and 2019 survey years—on January 1, 2018, the TRICARE regions were restructured and a new contractor began managing the program in the West region. 2) Each individual year of the DOD multi-year survey is not nationally generalizable; the survey is designed so that 4 years of results create a nationally representative sample and are analyzed collectively. However, at the time of our analysis, only 1 year of data reflecting beneficiary and provider experiences after the implementation of TRICARE Select was available. As a result of these limitations, reported differences from the 2017/2018 surveys to the 2019 survey may be due to changes in the TRICARE program, differences in the geographic areas sampled, or other factors rather than the implementation of TRICARE Select. After consideration of these limitations, we determined that all

[12]For GAO's review of the 2008-2011 surveys, see GAO-10-402 and GAO-13-364. For more detailed information on DOD's methodology for the surveys, see Appendix II in GAO-10-402 and Appendix I in GAO-13-364. For GAO's review of the 2012-2015 surveys, see GAO-18-361.

[13]For the 3 years of the non-Prime beneficiary survey, DOD received 20,568 complete and eligible responses. DOD considered complete and eligible responses as those where TRICARE beneficiaries answered at least half of the DOD-identified "key" questions. Over the 3 years of the civilian provider survey, DOD received 29,589 complete and eligible responses from physician and mental health providers. DOD considered the survey complete if the provider answered three DOD-identified "key" questions that asked about the providers' awareness and acceptance of TRICARE.

[14]DOD conducted a survey of individuals who did not respond to the original survey to understand their reasons for not replying and analyze any differences in demographic characteristics between survey participants and nonrespondents. For both the beneficiary and provider surveys, DOD officials told us that the final post-survey weights used in their analyses accounted for most differences in survey respondents compared with nonrespondents for the 2017-2019 surveys, though noted that prevalence of the 55-64 age group is somewhat overestimated.

data used in this report were sufficiently reliable for our audit objectives—to describe changes in beneficiary experience and provider acceptance of TRICARE patients before and after TRICARE Select was implemented on January 1, 2018.

We conducted this performance audit from March 2019 to February 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

TRICARE's Health Plan Options

Prior to January 1, 2018, TRICARE provided benefits through three main plan options for its non-Medicare-eligible beneficiary population—TRICARE Prime, Standard, and Extra.[15] These options varied by enrollment requirements, choices in civilian and military treatment facility providers, and the amount beneficiaries must contribute toward the cost of their care. (See table 1.) The NDAA for Fiscal Year 2017 terminated the TRICARE Standard and Extra plans beginning on January 1, 2018, and introduced TRICARE Select. Beneficiaries who had used the TRICARE Standard and Extra plans as of December 31, 2017 were automatically enrolled in TRICARE Select for the first year of the new plan, but as of January 1, 2019, beneficiaries were required to actively enroll in TRICARE Select.

[15]TRICARE also offers TRICARE for Life to TRICARE beneficiaries who are eligible for Medicare and enroll in Part B. Under the TRICARE for Life program, TRICARE processes claims after they have been adjudicated by Medicare.

Table 1: Summary of Selected Past and Current TRICARE Plan Options, as of December 2019

TRICARE plan option	Description of plan option
TRICARE Prime	• This managed care option requires enrollment. There is no enrollment fee for active duty servicemembers and their families, but most other beneficiaries must pay an annual enrollment fee.[a] • Active duty servicemembers are required to use TRICARE Prime, while other beneficiaries have a choice. • Beneficiaries work with a primary care manager who provides most of their care and refers them to specialists when needed. Beneficiaries generally obtain most of their care from providers at military treatment facilities, but beneficiaries also may obtain care from TRICARE's network of civilian providers (network providers). • This option has established access standards.[b]
TRICARE Standard and TRICARE Extra *(Terminated on January 1, 2018*)	• These options did not require enrollment. • Under TRICARE Standard, the fee-for-service option, beneficiaries could obtain health care from nonnetwork civilian providers. • Under TRICARE Extra, the preferred provider option, beneficiaries could obtain care from network civilian providers. • Beneficiaries could obtain care from military treatment facilities, though they had a lower priority for obtaining care than TRICARE Prime beneficiaries. • Options did not have established access standards.
TRICARE Select *(Established on January 1, 2018)*	• This self-managed, preferred provider option requires enrollment.[a] • There is no enrollment fee for active duty servicemembers and their families, but most other beneficiaries must pay an annual enrollment fee starting in January 2021.[c] • Beneficiaries are able to obtain health care from network and nonnetwork providers. • Beneficiaries may obtain care from military treatment facilities, though they have a lower priority for obtaining care than TRICARE Prime beneficiaries. • Network adequacy requirements for the managed care support contractors ensure at least 85 percent of enrollees are covered by TRICARE's network of providers.

Source: GAO summary of TRICARE program information. | GAO-20-318.

[a]Prior to January 1, 2019, beneficiaries were able to change plans at any time. On or after January 1, 2019, beneficiaries are only able to change plans during an annual open enrollment season or within a certain time period following a qualifying life event. Qualifying life events include military changes—such as activating or deactivating, deploying, separating from active duty, or retiring—and family events—such as getting married or divorced, having or adopting a baby, becoming Medicare-eligible, or experiencing a death in the family. In general, beneficiaries are able to make enrollment changes within 90 days of such an event.

[b]The TRICARE Prime option has five access standards that set requirements for the following: (1) travel time to provider sites, (2) appointment wait time, (3) availability and accessibility of emergency services, (4) composition of network specialists, and (5) office wait time. See 32 C.F.R. § 199.17(p)(5) (2019).

[c]The amount of this enrollment fee will be based in part upon a sponsor's initial enlistment date.

TRICARE's Regional Structure and Contracts

DOD uses two regional managed care support contractors to develop networks of civilian providers to serve all TRICARE beneficiaries.[16] Within the regions, contractors are required to develop these networks of providers in areas called Prime Service Areas (PSA), which are geographic areas usually within an approximate 40-mile radius of a military inpatient treatment facility, as well as in areas outside of PSA locations, or non-PSAs. To develop the networks, the contractors enter into contracts with some providers—referred to as network providers—to treat TRICARE patients at an agreed upon reimbursement rate. Beneficiaries can also receive care from certified nonnetwork providers. However, beneficiaries visiting a nonnetwork provider may have to pay for the care at the time of the visit and later file a claim for reimbursement, whereas beneficiaries visiting a network provider are only responsible for paying a copayment or cost-sharing amount.

The NDAA for Fiscal Year 2017 also mandated that DOD ensure at least 85 percent of the TRICARE Select beneficiary population be covered by the TRICARE network of providers by January 1, 2018, and that DOD determine access standards and ensure the program meets or exceeds access standards of "high-performing health care systems in the United States" for health care appointments.[17] DOD has contracted both of these efforts to the two contractors.

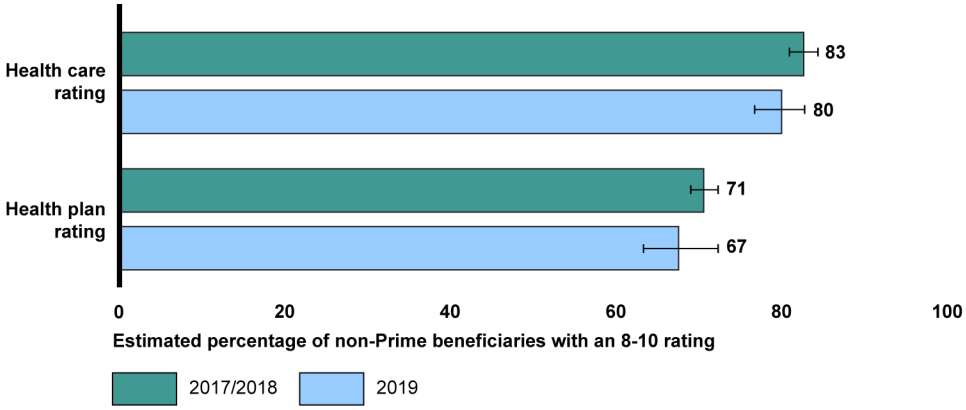
[16]On January 1, 2018, the TRICARE program began health care delivery under its fourth generation of TRICARE managed care support contracts, which reduced the number of TRICARE regions from three (North, South, and West) to two (East and West) and transitioned to a new contractor to serve the West region. The East region resulted from the merger of the North and South regions. See *Defense Health Care: Opportunities to Improve Future TRICARE Managed Care Support Contract Transitions,* GAO-20-39 (Washington, D.C.: Nov. 21, 2019) for more information related to the contractor transition.

[17]Pub. L. No. 114-328, § 701(f)(2), 130 Stat. 2000, 2187 (2016).

Surveys Indicate Beneficiary Ratings of TRICARE Were Generally Unchanged in the First Year of Select, but Ratings of Primary Care Providers Decreased

Non-Prime beneficiaries' ratings of TRICARE were generally unchanged during the first year following the transition from TRICARE Standard and Extra to TRICARE Select. Specifically, there was no statistically significant change from the 2017/2018 surveys to the 2019 survey in the percent of beneficiaries who positively rated their health care and their health plans—defined as giving responses of 8 or higher (out of 10) on each survey question.[18] In the 2019 survey, 80 percent of beneficiaries rated their health care positively, and 67 percent rated the TRICARE health plan positively. (See fig. 1.)

Figure 1: Non-Prime TRICARE Beneficiaries' Positive Ratings of Their TRICARE Health Care and Health Plans (2017/2018 and 2019 Surveys)



Source: GAO analysis of Department of Defense data. | GAO-20-318

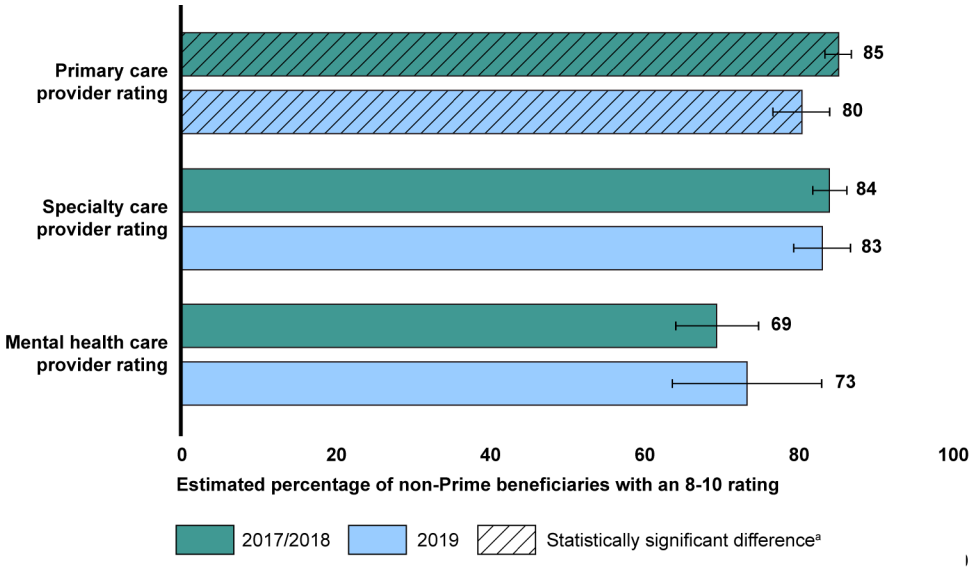
Notes: The Department of Defense conducts surveys of beneficiaries who did not participate in TRICARE's managed care plan—TRICARE Prime—whom we refer to as non-Prime beneficiaries. Respondents were considered to have given positive ratings when they gave ratings of 8 or higher to questions that asked: Using any number from 0 to 10, where 0 is the worst possible and 10 is the best possible, what number would you use to rate your (1) health care and (2) health plan? Our analysis of health care ratings is limited to non-Prime beneficiaries who indicated that they had seen a corresponding civilian provider in the last 12 months.

Error bars display 95 percent confidence levels for estimates, rounded to a whole number. Differences between the combined results of the 2017 and 2018 surveys and results of the 2019 survey are not statistically significant at the 95 percent confidence level.

[18]Respondents were asked to rate each category using any number from 0 to 10, where 0 is the worst possible and 10 is the best possible rating for the questions (1) "What number would you use to rate all your health care in the last 12 months?" and (2) "What number would you use to rate your health plan?"

Non-Prime TRICARE beneficiaries also rated three different types of providers and of the three, ratings of primary care providers decreased from the 2017/2018 to 2019 surveys. The percent of beneficiaries who positively rated their primary care providers decreased from 85 to 80 percent in the 2019 survey. We found no statistically significant differences from the 2017/2018 surveys to the 2019 survey in beneficiaries' positive ratings of specialty care and mental health care providers, with 83 and 73 percent of beneficiaries reporting positive ratings of their specialty care and mental health care providers, respectively in 2019. (See fig. 2.)

Figure 2: Non-Prime TRICARE Beneficiaries' Positive Ratings of their TRICARE Providers (2017/2018 and 2019 Surveys)



Source: GAO analysis of Department of Defense data. | GAO-20-318

Notes: The Department of Defense conducts surveys of beneficiaries who did not participate in TRICARE's managed care plan—TRICARE Prime—whom we refer to as non-Prime beneficiaries. Respondents were considered to have given a positive response when they gave a rating of 8 or higher to the questions that asked: Using any number from 0 to 10, where 0 is the worst possible, and 10 is the best possible, what number would you use to rate your (1) personal doctor (i.e., a primary care provider), (2) a specialist, and (3) mental health treatment or counseling (i.e., a mental health care provider)?

Error bars display 95 percent confidence levels for estimates, rounded to a whole number.

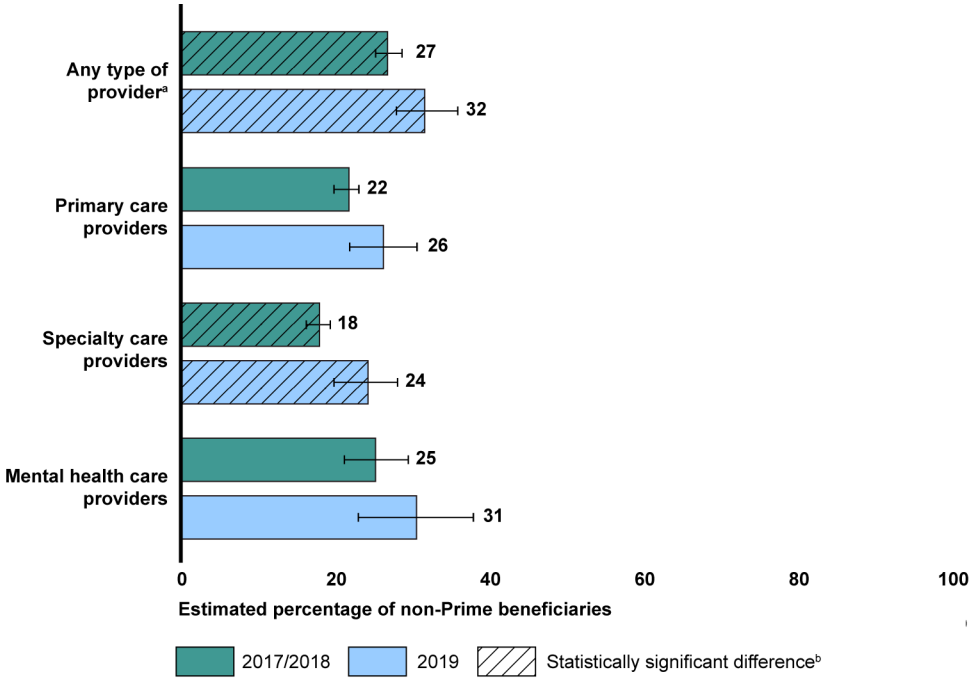
[a]Within ratings, these differences between the combined results of the 2017 and 2018 surveys and results of the 2019 survey are statistically significant at the 95 percent confidence level.

Beneficiary Surveys Indicate More Problems Finding Providers in First Year of TRICARE Select, but No Change in Ability to Get Appointments

Beneficiaries Were More Likely to Report Problems Finding Providers in the First Year of Select

In the first year of TRICARE Select, a higher percentage of non-Prime beneficiaries reported experiencing problems finding civilian health care providers who accepted TRICARE than before the transition, particularly for specialty care. We found there was a statistically significant increase in the percentage of beneficiaries who reported problems finding a provider that would accept TRICARE from 27 to 32 percent from the 2017/2018 surveys to the 2019 survey. In particular, there was a statistically significant increase in the percentage of beneficiaries who reported problems finding a specialty care provider in the 2019 survey (24 percent) compared to the 2017/2018 surveys (18 percent). The percent of beneficiaries who reported problems accessing primary care or mental health care remained statistically unchanged with 26 and 31 percent reporting problems, respectively, in the 2019 survey. (See fig. 3.)

Figure 3: Non-Prime TRICARE Beneficiaries Who Reported Experiencing Problems Finding Civilian Providers, by Provider Type (2017/2018 and 2019 Surveys)



Source: GAO analysis of Department of Defense data. | GAO-20-318

Notes: The Department of Defense conducts surveys of beneficiaries who did not participate in TRICARE's managed care plan—TRICARE Prime—whom we refer to as non-Prime beneficiaries. Respondents were considered to have reported problems when they answered "a big problem" or "a small problem" to the questions that asked: In the last 12 months, how much of a problem was it to (1) find a personal doctor who would accept TRICARE (i.e., a primary care provider), (2) a doctor with this specialty who would accept TRICARE (i.e., a specialty care provider), and (3) get the treatment or counseling you needed through your health plan (i.e., a mental health care provider)? Answer choices were "a big problem," "a small problem," or "not a problem."

Error bars display 95 percent confidence levels for estimates, rounded to a whole number.

[a]We considered a respondent to have reported problems finding any type of provider if they indicated problems finding one or more provider types.

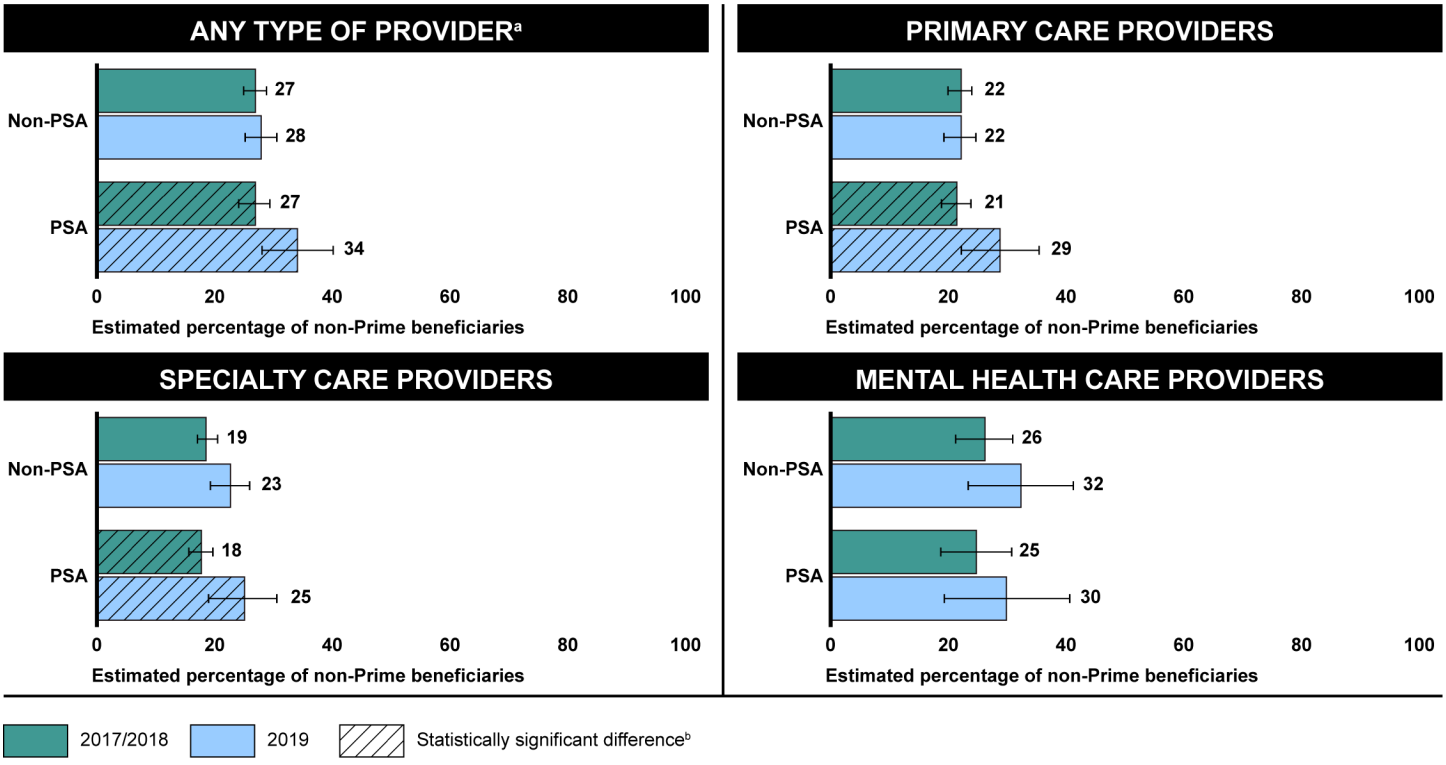
[b]Within provider types, these differences between the combined results of the 2017 and 2018 surveys and results of the 2019 survey are statistically significant at the 95 percent confidence level.

We also found that a higher percentage of beneficiaries located in PSAs reported experiencing problems finding providers, whereas there was no change for beneficiaries located in non-PSA areas.[19] Specifically, from

[19]DOD reported that about two-thirds of 2018 TRICARE Select beneficiaries resided in PSAs, and about two-thirds of TRICARE providers were located in PSAs in fiscal year 2017.

the 2017/2018 surveys to the 2019 survey, there was a statistically significant increase in the percentage of beneficiaries located in PSAs who reported problems finding any type of civilian provider (27 to 34 percent), primary care providers (21 to 29 percent), and specialty care providers (18 to 25 percent). There was no statistically significant change among beneficiaries in PSAs reporting problems finding mental health care providers or among beneficiaries in non-PSAs for any provider types. (See fig. 4.)

Figure 4: Non-Prime TRICARE Beneficiaries Who Reported Experiencing Problems Finding Civilian Providers, by Provider Type and Location (2017/2018 and 2019 Surveys)



Source: GAO analysis of Department of Defense data. | GAO-20-318

Notes: The Department of Defense requires its TRICARE contractors to develop networks of civilian providers (network providers) in geographic areas called Prime Service Areas (PSA), which are defined by a set of five-digit zip codes, usually within an approximate 40-mile radius of a military outpatient or inpatient treatment facility or a Base Realignment and Closure site. Contractors must ensure that 85 percent of non-Prime beneficiaries are covered by the TRICARE network of providers.

The Department of Defense conducts surveys of beneficiaries who did not participate in TRICARE's managed care plan—TRICARE Prime—whom we refer to as non-Prime beneficiaries. We considered respondents to have reported problems finding providers if they answered "a big problem" or "a small problem" to the questions that asked: In the last 12 months, how much of a problem was it to (1) find a personal doctor who would accept TRICARE (i.e., a primary care provider), (2) a doctor with this specialty who would accept TRICARE (i.e., a specialty care provider), and (3) get the treatment or

counseling you needed through your health plan (i.e., a mental health care provider)? Answer choices were “a big problem,” “a small problem,” or “not a problem.”

Error bars display 95 percent confidence levels for estimates, rounded to whole numbers.

[a]We considered a respondent to have reported problems finding any type of provider if they indicated problems finding one or more provider types.

[b]Within provider types and location types, these differences between the combined results of the 2017 and 2018 surveys and results of the 2019 survey are statistically significant at the 95 percent confidence level.

To help beneficiaries find providers that accept TRICARE patients, managed care support contractors develop networks of providers in PSAs and some non-PSA locations. Each month, these contractors report to DOD the percent of Select beneficiaries who were covered by the TRICARE network of providers, according to contractor-developed measures of adequate access to care.[20] Although nearly one-third of beneficiaries reported experiencing problems finding a civilian provider, DOD officials told us that nearly 100 percent of beneficiaries in the East have had adequate access to a network provider since January 1, 2018, exceeding the 85 percent requirement. For the West, DOD officials said the contractor reported that more than 85 percent of beneficiaries had adequate access to a network provider as of August 2018.[21]

According to DOD officials, the two contractors used different methods to ensure adequate access to a network provider:

- In the East region, the contractor decided to develop networks of civilian providers in the entire region.
- In the West region, the spread-out geography of the region made it difficult to develop networks of civilian providers throughout the entire region. Therefore, the contractor used mapping software to determine areas within non-PSAs which had large populations of TRICARE

[20]According to their contacts, contractors must ensure access standards for appointments for health care meet or exceed those of high-performing health care systems in the United States and establish mechanisms for monitoring compliance with access standards. Representatives from one contractor told us that it considers a beneficiary to have adequate access to the TRICARE network of providers if he or she resides in an area where each of 29 provider types is accepting TRICARE patients. The other contractor relies on a combination of provider surveys, network utilization, and analysis of data related to TRICARE Prime beneficiary access to determine if TRICARE Select beneficiaries have adequate access to care.

[21]DOD requested that the contractor in the West create a corrective action plan to develop an adequate network of providers, according to its contract. DOD determined that the contractor completed all tasks in the plan related to network adequacy by September 2018.

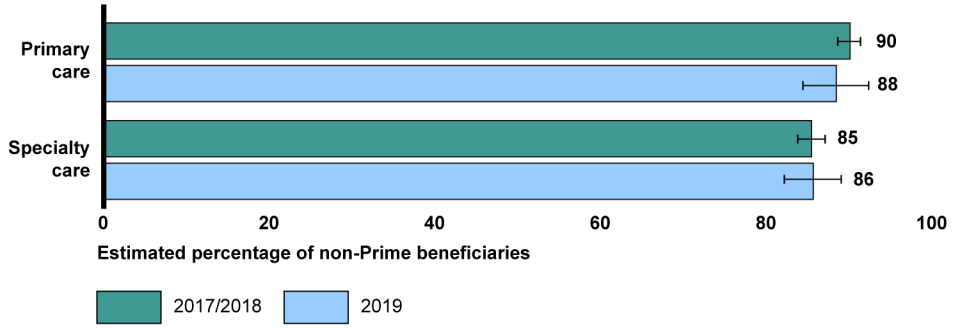
Select beneficiaries. As a result, the contractor identified 12 areas in the West region—which it called Select Areas—to develop additional networks of civilian providers in order to meet the requirement.

Contractors also provide resources to beneficiaries to help them identify providers that accept TRICARE patients. Contractors maintain lists of network and other TRICARE-certified providers that accept TRICARE patients, and monitor and report on the accuracy of these lists to DOD monthly. However, contractor representatives noted that providers can decide to accept or not accept TRICARE patients at any time, and these changes are not always reflected in the lists. Contractor representatives explained that if a beneficiary cannot find a provider to accept TRICARE for needed care, the beneficiary can submit a complaint to the contractor. Contractor representatives said that they can address beneficiary complaints by attempting to identify and certify new providers, but noted that some subspecialty providers are not available in all areas. Representatives from one contractor told us that they have identified alternative sources of care when providers are not available. For example, when no civilian psychiatrists were accepting new patients in a remote area, the contractor offered beneficiaries telehealth services from a military treatment facility.

Beneficiaries' Reported Ability to Obtain an Appointment When Needed Was Unchanged in First Year of TRICARE Select

There was no statistically significant change after the transition to TRICARE Select in the percent of non-Prime beneficiaries who reported being able to get an appointment as soon as they needed. In the 2019 survey, 88 percent of beneficiaries reported that they could usually or always obtain an appointment for primary care as soon as they needed and 86 percent reported being able to do so for specialty care. (See fig. 5.) Similarly, about 65 percent of beneficiaries reported waiting a week or less between scheduling an appointment for non-urgent care and meeting with their doctor in the 2019 survey, and 83 percent of beneficiaries reported waiting 2 weeks or less.

Figure 5: Non-Prime TRICARE Beneficiaries Who Reported Obtaining Appointments as Soon as Needed, by Type of Care (2017/2018 and 2019 Surveys)



Source: GAO analysis of Department of Defense data. | GAO-20-318

Notes: The Department of Defense conducts surveys of beneficiaries who did not participate in TRICARE's managed care plan—TRICARE Prime—whom we refer to as non-Prime beneficiaries. We considered respondents to have obtained appointments when needed if they answered "usually" or "always" to questions that asked: In the last 12 months, how often did you get an appointment for a check-up or routine care at a doctor's office or clinic (i.e., primary care) as soon as you needed, or get an appointment to see a specialist (i.e., specialty care) as soon as needed?

Error bars display 95 percent confidence levels for estimates, rounded to a whole number. Differences between the combined results of the 2017 and 2018 surveys and results of the 2019 survey are not statistically significant at the 95 percent confidence level.

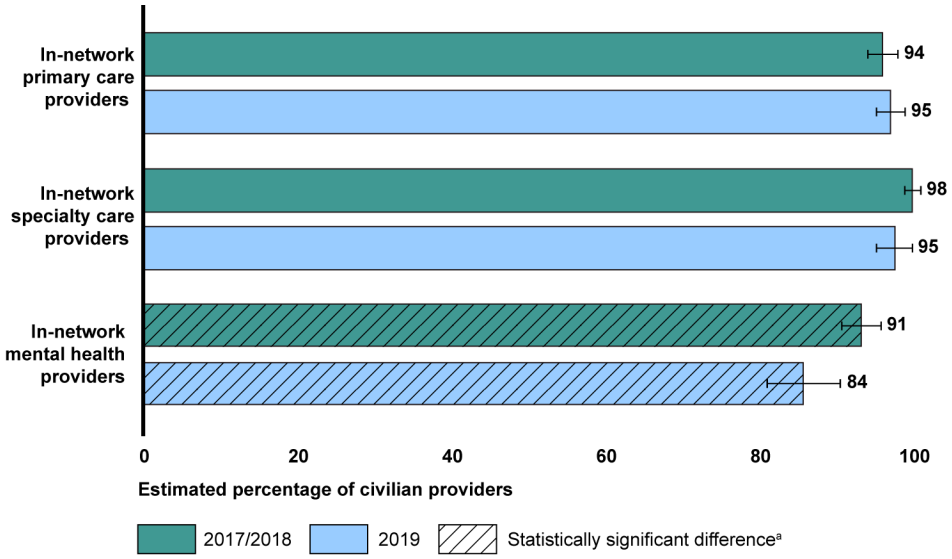
Surveys Indicate Few Changes in Civilian Providers' Acceptance of TRICARE Patients in First Year of Select

There was no change in the percent of civilian providers nationwide who reported accepting new TRICARE patients if they were also accepting other new patients after the transition to TRICARE Select.[22] Across all provider types, 67 percent of providers in the 2019 survey reported accepting new TRICARE patients if they were also accepting other new patients; this percentage was not statistically significantly different from the 2017/2018 surveys. There was also no statistically significant change among specific provider types—in the 2019 survey, 47 percent of mental health care providers and about 90 percent of primary care and specialty care providers reported accepting new TRICARE patients if they were accepting any new patients.

[22]The 2017/2018 surveys asked providers "As of today, is the provider accepting new TRICARE Standard patients?" and the 2019 survey asked "As of today, is the provider accepting new TRICARE Select (formerly known as TRICARE Standard or Extra) patients?" If the provider was accepting new patients, that provider indicated that this was for all claims, or only on a claim-by-claim basis. For our analyses, we included both the providers who were accepting new TRICARE patients for all claims and those who were only accepting new patients on a claim-by-claim basis.

When we analyzed provider responses by network status and specialty, the surveys indicated a decrease in the percentage of network mental health providers who were accepting new TRICARE patients if they were also accepting other new patients. The percent of these network mental health providers decreased a statistically significant amount from 91 percent in the 2017/2018 surveys to 84 percent in the 2019 survey. (See fig. 6.) However, there was no change in the overall percentage of all network or all nonnetwork providers that were accepting new TRICARE patients if they were also accepting any new patients—93 percent of network and 58 percent of nonnetwork providers in the 2019 survey.

Figure 6: Civilian Network Providers' Reported Acceptance of New TRICARE Patients if Accepting Any New Patients, by Provider Type (2017/2018 and 2019 Surveys)



Source: GAO analysis of Department of Defense data. | GAO-20-318

Notes: Respondents answered "yes, on a claim-by-claim basis only" or "yes, for all claims" to a question that asked if they were accepting new TRICARE patients, and "yes" to a question that asked if they were accepting any new patients (including non-TRICARE patients). The 2017/2018 surveys asked "As of today, is the provider accepting new TRICARE Standard patients?" and the 2019 survey asked "As of today, is the provider accepting new TRICARE Select (formerly known as TRICARE Standard or Extra) patients?"

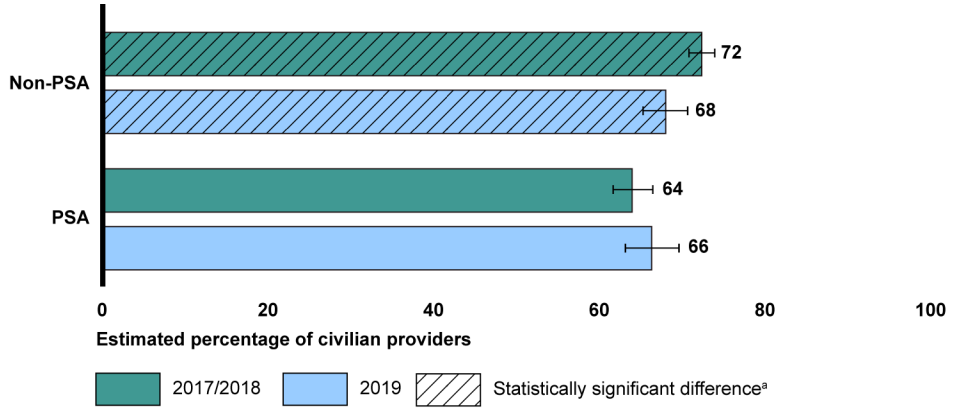
Error bars display 95 percent confidence levels for estimates, rounded to a whole number.

[a]These differences between the combined results of the 2017 and 2018 surveys and results of the 2019 survey are statistically significant at the 95 percent confidence level.

When we analyzed provider responses by location, we found that provider acceptance of new TRICARE patients decreased by a

statistically significant amount in non-PSAs. Specifically, a lower percentage of providers located in non-PSAs reported accepting new TRICARE patients if they were accepting other new patients, decreasing from 72 percent in the 2017/2018 surveys to 68 percent in the 2019 survey. This percentage did not significantly change for providers in PSAs. (See fig. 7.)

Figure 7: Civilian Providers' Acceptance of New TRICARE Patients if Accepting Any New Patients, by Location (2017/2018 and 2019 Surveys)



Source: GAO analysis of Department of Defense data. | GAO-20-318

Notes: The Department of Defense requires its TRICARE contractors to develop networks of civilian providers in geographic areas called Prime Service Areas (PSA), which are defined by a set of five-digit zip codes, usually within an approximate 40-mile radius of a military outpatient or inpatient treatment facility or a Base Realignment and Closure site. Contractors are required to ensure that 85 percent of non-Prime beneficiaries are covered by the TRICARE network of providers.

Respondents answered "yes, on a claim-by-claim basis only" or "yes, for all claims" to the question that asked if they were accepting any new TRICARE patients and "yes" to a question that asked if they were accepting any new patients (including non-TRICARE patients). The 2017/2018 surveys asked "As of today, is the provider accepting new TRICARE Standard patients?" and the 2019 survey asked "As of today, is the provider accepting new TRICARE Select (formerly known as TRICARE Standard or Extra) patients?"

Error bars display 95 percent confidence levels for estimates, rounded to a whole number.

[a]Within provider location type, these differences between the combined results of the 2017 and 2018 surveys and results of the 2019 survey are statistically significant at the 95 percent confidence level.

There were few changes in the reasons providers gave for not accepting TRICARE patients in the first year of TRICARE Select. (See Table 2 for a list of reasons providers offered in the 2019 survey.) Of 14 categories of reasons that providers gave, there was a statistically significant change in two categories between the 2017/2018 surveys to the 2019 survey. Specifically, the percentage of providers who listed reimbursement as a reason for not accepting new TRICARE patients declined from 11 percent

to 8 percent, and the percentage of providers who listed that the doctor was not available or too busy increased from 4 percent to 8 percent.

Table 2: Providers' Reported Reasons for Not Accepting New TRICARE Patients (2019 Survey)

GAO categorization	DOD categorization of provider responses	Percentage of providers
TRICARE issue	inconvenience	10 ± 3[a]
	reimbursement[b]	8 ± 2
	problems getting into the program/application in progress	7 ± 2
	insurance image problems/issues with TRICARE in the past	3 ± 1
	customer service	1 ± 1
Provider decision	only takes certain insurance	15 ± 4
	not accepting patients	13 ± 4
	doctor not available/too busy[b]	8 ± 2
	preference/takes other forms of TRICARE	3 ± 1

Source: GAO analysis of Department of Defense (DOD) data. | GAO-20-318

Notes: If providers responded that they were not currently accepting new TRICARE patients, they were asked to list all of the reasons why. DOD reviewed and grouped the responses into 14 categories. We further categorized nine of these responses into whether the response indicated a "TRICARE issue" or a "provider decision." We excluded five responses: "don't know/no answer," "miscellaneous," "not aware of TRICARE/not asked/don't know," and "specialty not covered." We also excluded "not enough demand" because the percent of providers indicating this option is zero in 2019 with rounding.

[a]These numbers indicate the margins of error for these estimates, and are calculated at a 95 percent confidence level, rounded to a whole number.

[b]The 2017/2018 versions of the TRICARE survey of providers included the same question and 14 categories; there were two categories for which there was a statistically significant difference between the combined results of the 2017 and 2018 surveys and 2019 survey at the 95 percent confidence level. Specifically, the percent of providers listing "reimbursement" as a reason for not accepting TRICARE patients decreased from 11 percent in the 2017/2018 surveys to 8 percent in the 2019 survey, and the percent listing "doctor not available/too busy" increased from 4 percent to 8 percent.

Agency Comments and Our Evaluation

DOD provided technical comments on a draft of this report, which we incorporated as appropriate.

We are sending copies of this report to the appropriate congressional committees, the Secretary of Defense, and other interested parties. In addition, the report is available at no charge on the GAO website at http://www.gao.gov.

If you or your staff members have any questions about this report, please contact me at (202) 512-7114 or cosgrovej@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report.

James Cosgrove
Director, Health Care

Appendix I: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the contact named above, individuals making key contributions to this report include Tom Conahan (Assistant Director), A. Elizabeth Dobrenz and Jeffrey Mayhew (Analysts-in-Charge), Jennie Apter, Alexander Cattran, Jacquelyn Hamilton, Vikki Porter, and Jeffrey Tamburello.

Related GAO Products

Defense Health Care: TRICARE Surveys Indicate Nonenrolled Beneficiaries' Access to Care Has Generally Improved, GAO-18-361 (Washington, D.C.: Mar. 29, 2018).

Defense Health Care: More-Specific Guidance Needed for Assessing Nonenrolled TRICARE Beneficiaries' Access to Care, GAO-14-384 (Washington, D.C.: Apr. 28, 2014).

Defense Health Care: TRICARE Multiyear Surveys Indicate Problems with Access to Care for Nonenrolled Beneficiaries, GAO-13-364 (Washington, D.C.: Apr. 2, 2013).

Defense Health Care: DOD Lacks Assurance That Selected Reserve Members Are Informed About TRICARE Reserve Select, GAO-11-551 (Washington, D.C.: June 3, 2011).

Defense Health Care: Access to Civilian Providers under TRICARE Standard and Extra, GAO-11-500 (Washington, D.C.: June 2, 2011).

Defense Health Care: 2008 Access to Care Surveys Indicate Some Problems, but Beneficiary Satisfaction Is Similar to Other Health Plans, GAO-10-402 (Washington, D.C.: Mar. 31, 2010).

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