

TRICARE Enrollees Soon Will Have to Refill Certain Drugs Via Mail or at Military Facilities

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Beginning on Oct. 1, TRICARE beneficiaries will have to obtain refills for certain drug prescriptions through the mail, or at military treatment facilities, according to a [new interim final rule](#) from the Defense Department.

The new policy affects refills of non-generic prescription “maintenance medications,” or drugs that people take on a regular basis for chronic conditions, such as high cholesterol or blood pressure. The change does not apply to medications for sudden infections or illnesses. The head of the Defense Health Agency will maintain and update a list of covered medications, available online or by telephone, and agency will contact eligible beneficiaries about the change, stated the rule, published on Aug. 6 in the *Federal Register*.

The change, mandated by the 2015 National Defense Authorization Act, aims to save money for the department and TRICARE enrollees by avoiding the higher drug co-payments associated with many prescriptions medications in retail pharmacies. The department estimated that the change will save the government roughly \$88 million annually, while TRICARE beneficiaries will save about \$16.5 million per year because of cheaper co-payments.

“On average, the government pays 32 percent less for brand name maintenance medication prescriptions filled in the mail order program or military treatment facility pharmacies than through the retail program,” the interim rule said. Not all prescriptions refilled through the retail program are maintenance medications, Defense noted, but nevertheless there is “potential for significant savings” by shifting a portion of those TRICARE refills out of retail. In fiscal 2014, 61 million prescriptions for TRICARE beneficiaries were filled through retail pharmacies at a cost of \$5.1 billion to the government.

TRICARE beneficiaries can save \$44 on a 90-day supply of brand name drugs by obtaining them through the mail rather than retail pharmacies. The cost through the mail for a 90-day supply of non-generic drugs is \$16 versus \$20 for a 30-day supply in retail pharmacies. There are no co-payments on drugs obtained at military treatment facilities.

Click [here](#) for a comparison of prescription drug costs for TRICARE beneficiaries through mail, military treatment facilities, and retail pharmacies.

In addition to exemptions to the new policy for prescription drugs for acute needs and those covered by other health insurance, other waivers will be granted in “several circumstances,” the rule said. For instance, “there is a case-by-case waiver to permit prescription maintenance medication refills at a retail pharmacy when necessary due to personal need or hardship, emergency, or other special circumstance, for example, for nursing home residents.”

TRICARE prescription drug co-payments reportedly have emerged as a [major sticking point](#) in negotiations between House and Senate conferees over the fiscal 2016 Defense authorization legislation. The Senate version of the bill includes provisions that would increase co-payments for certain prescription drugs, while the House bill did not include the hikes.

On Feb. 1, [co-pays for many prescription drugs](#) at retail pharmacies [increased by \\$3](#). If Congress settles on an increase for fiscal 2016, it will be the third such price hike for TRICARE beneficiaries in the last four years.

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