

## Memo

To: File  
 Date: January 2019  
 From: DoD Office of the Actuary (OACT)

 Joel Sitrin, MAAA, ASA*	 Margot Kaplan, FCA, MAAA, ASA*	 ChiaChun (Chelsea) Chu, FSA*
--	---	--

Subject: Actuarial Work for the Chief Financial Officers Act (CFO) Financial Statements (MERHCF, SMA, CRM, DHA, DoD Agency-wide)

### PURPOSE OF THIS MEMO

This memo describes the procedures for producing the postretirement benefit (PRB) actuarial valuation results required for the Department of Defense's (DoD's) 9/30/2018 Chief Financial Officers Act (CFO) financial statements (FS). Use of these results for other purposes may not be appropriate. The report titled Valuation of the Medicare-Eligible Retiree Health Care Fund (September 30, 2017) provides a more detailed description of the actuarial model used to determine the liability and funding requirements for the Medicare-Eligible Retiree Health Care Fund (MERHCF or Fund). Since the calculation of the annual funding requirements for the MERHCF precedes the calculation of the year-end CFO financial statement values, the Valuation Report for the MERHCF is a precursor to this memo. In addition, assumptions and methods described in the MERHCF Valuation Report apply to the liabilities determined for the CFO financial statements except where expressly stated in this memo. We have performed the valuation using methods and assumptions in accordance with generally accepted actuarial principles and practices. Any questions regarding this memo's content can be addressed by sending an email to [dhra.mc-alex.dhra-hq.mbx.actuary-health@mail.mil](mailto:dhra.mc-alex.dhra-hq.mbx.actuary-health@mail.mil).

### NOTIFICATION ABOUT ROUNDING

Throughout this memo, numbers in some cases may not appear to add properly; this is due to rounding.

### SFFAS 33 RESULTS IN DIFFERENT INTEREST AND INFLATION ASSUMPTIONS FOR FINANCIAL STATEMENT LIABILITIES

The Statement of Federal Financial Accounting Standards 33 (SFFAS 33), as published on October 14, 2008, by the Federal Accounting Standards Advisory Board (FASAB), requires the use of a yield curve based on marketable U.S. Treasury securities to determine the discount rates used to calculate actuarial liabilities for federal financial statements. Historical experience is the basis for expectations about future trends in marketable U.S. Treasury securities.

SFFAS 33 is effective for periods beginning after September 30, 2009, and applies to information provided in general purpose federal financial statements. It does not affect statutory or other special-purpose reports, such as Pension or Other Retirement Benefit reports. SFFAS 33 requires a minimum of five periodic rates for the yield curve input and consistency in the number of historical rates used from period to period. It permits the use of a single average discount rate if the resulting present value is not materially different from what would be obtained using the yield curve.

The DoD Office of the Actuary (OACT) annually performs two MERHCF valuations. The primary one is for funding purposes, is governed by Chapter 56 of Title 10 U.S.C., and must use methods and assumptions approved by the DoD Medicare-Eligible Retiree Health Care Board of Actuaries (Board). As noted above, details of the funding valuation are

\* Meets the qualification standards of the American Academy of Actuaries to perform the work documented in this memo.

described in OACT's annual Valuation of the Medicare-Eligible Retiree Health Care Fund. The other valuation is for financial statement purposes and is governed by FASAB standards. For the September 30, 2018, financial statement valuation, OACT determined an SFFAS 33 equivalent discount rate of 3.6% (compared to 3.8% in the previous year), using a 10-year average of quarterly zero coupon Treasury spot rates. These spot rates are based on the U.S. Department of Treasury – Office of Economic Policy's 10-year Average Yield Curve for Treasury Nominal Coupon Issues (TNC yield curve), which represents average rates from April 1, 2008, through March 31, 2018. In the summer of 2018, the Board approved a discount rate of 5.25% for the September 30, 2017, funding valuation which differs from the SFFAS equivalent rate by 165 basis points.

SFFAS 33 requires that the discount rate, underlying inflation rates, and other economic assumptions be consistent with one another. A change in the discount rate may cause other assumptions to change as well. For the September 30, 2018, financial statement valuation, use of the SFFAS 33 single equivalent discount rate required OACT to change the long-term inflation and medical trend rate assumptions to be consistent with the underlying Treasury spot rates used in the valuation. Looking at inflation over the same period used to develop the yield curve led to a long term inflation assumption of 1.5% (compared to 1.7% in the previous year), which is 125 basis points lower than the long term inflation assumption for the funding valuation. Therefore, the long-term (or ultimate) medical trend assumption was set to 4.0% (4.2% in the previous year), also 125 basis points lower than the comparable funding valuation assumption.

## PROCESS OVERVIEW

The year-end financial statements, herein called the CFO financial statements, report PRB liabilities in total as well as in components.<sup>1</sup> The following list describes the various components of the PRB liabilities needed for financial reporting.

1. MERHCF – The Medicare-Eligible Retiree Health Care Fund covers the liability for the cost of future medical treatment provided to Medicare eligible military retirees and dependents.
  - a. Benefits: Purchased Care (PC) – care and prescriptions received from civilian providers at civilian locations, and Direct Care (DC) – care and prescriptions received from providers hired by DoD (located at Military Treatment hospitals and clinics or MTFs)
  - b. Population: All Uniformed (DoD + Non-DoD<sup>2</sup> (CG, NOAA, PHS)) (Active Duty and Reserves); beneficiaries must be eligible for Medicare
2. CRM and DHA Consolidated – Contract Resource Management (part of Defense Health Agency) covers Purchased Care benefits. The CRM and DHA Consolidated financial statements include a liability for future retiree medical benefits received through PC and provided to non-Medicare eligible military retirees and their non-Medicare eligible dependents.
  - a. Benefits: PC
  - b. Population: DoD (Active Duty and Reserves); beneficiaries are not eligible for Medicare
3. SMA – Service Medical Activity covers Direct Care benefits. The SMA financial statement includes a liability for future retiree medical benefits received through DC and provided to non-Medicare eligible military retirees and their non-Medicare eligible dependents.
  - a. Benefits: DC

<sup>1</sup> In addition to PRB liabilities, OACT determines incurred but not reported (IBNR) reserves for the quarterly MERHCF financial statements and for the quarterly CRM, DHA Consolidated, and DHP financial statements. The IBNR is determined for Purchase Care claims only. OACT also updates (on the DHA financial statement) a small (immaterial) death benefit reserve for a small closed group of retirees who previously were employed at the Uniformed Services University of the Health Sciences (USUHS). The determination of the IBNR and retiree life reserve is not included in this memo. The annual audit of OACT's actuarial work includes a review of the IBNRs and the liabilities for PRBs.

<sup>2</sup> The non-DoD uniformed services (the US Coast Guard (CG), National Oceanic and Atmospheric Administration (NOAA), and Public Health Service (PHS)) together add about 3.3% to active duty endstrength and 1.0% to reserve endstrength.

- b. Population: DoD (Active Duty and Reserves); beneficiaries are not eligible for Medicare
4. DHP – Defense Health Program covers PC and DC retiree medical benefits. The DHP financial statement is a roll-up of the DHA Consolidated and SMA statements.

The remaining liability for postretirement medical benefits is found in the individual financial statements of the non-DoD uniformed services (CG, NOAA, and PHS). Therefore, CG, NOAA, and PHS are responsible for computing and recording their liabilities for non-Medicare postretirement medical benefits.

## SUMMARY OF STATEMENT CONTENTS

OACT produces various items associated with the actuarial valuation of postretirement benefits, and DoD's funding and reporting requirements drive OACT's business cycle.

During FY 2018 (Oct. 2017– Sept. 2018), OACT first produced an actuarial valuation for the MERHCF (the funding valuation, used to determine funding contributions) as of FYE 2017. Census data for this valuation were as of FYE 2017. Claim vectors were produced from detailed medical claims data from FY 2015 – FY 2017 and then trued up to FY 2017 incurred cost levels using FY 2017 incurred claims estimates derived from June 2018 claims triangles. This valuation was used to determine the annual unfunded liability amortization payment on October 1, 2018 (FY 2019 payment). The Normal Cost (NC) payment made on October 1, 2018 (FY 2019) was based on per capita NCs originally produced from the MERHCF valuation as of FYE 2016, amended to reflect a legislative change in pharmacy copays.

The FYE 2018 financial statements (FS) include several types of actuarial liabilities and reconciliations of postretirement military medical benefits. This work was due in September 2018 in order to be recorded in the FYE 2018 financial statements in October. Therefore, OACT used valuation results as of FYE 2017 to produce the roll-forward (gain)/loss exhibits for FYE 2018. The starting point of the reconciliations was the prior year's CFO valuation results (i.e., rolled forward from the September 30, 2016, valuation). The list of deliverables included:

1. Reconciliation of the MERHCF liability from 9/30/2017 to 9/30/2018, and DDRS<sup>3</sup> Note 17
2. Reconciliation of the CRM and DHA Consolidated statement liabilities from 9/30/2017 to 9/30/2018, and DDRS Note 17
3. Reconciliation of the SMA statement liability from 9/30/2017 to 9/30/2018, and DDRS Note 17, and breakout of SMA liability reconciliation by service
4. Reconciliation of the DHP (SMA + DHA Consolidated, or non-MERHCF retiree medical) statement liability from 9/30/2017 to 9/30/2018, and DDRS Note 17
5. Reconciliation of the MERHCF + DHP statement liability from 9/30/2017 to 9/30/2018 for the Financial Report of the US Government

Each reconciliation step has the same general format for the (gain)/loss exhibit, and complies with the disclosure requirements of SFFAS 33:

- A. Final FS Actuarial Liability (AL) as of the prior year's FYE (a one-year roll-forward of the AL as of the prior year's FYE from the prior year's valuation), plus
- B. Expected NC (per capita NC from the prior year's valuation with one year of trend, times expected All Uniformed or DoD lives in the FS FY, plus

<sup>3</sup> Defense Departmental Reporting System – DoD's internal system for its financial statements.

- C. One year of interest on the AL (a) and NC (b) minus one half year's interest on expected benefit outlays (interest rate is the 9/30/2017 FS valuation discount rate of 3.8%), plus
- D. Plan amendment liability, plus
- E. (Gain)/loss due to experience, plus
- F. (Gain)/loss due to other factors (not assumptions), plus
- G. (Gain)/loss due to changes in medical trend assumption, plus
- H. (Gain)/loss due to assumption changes other than trend, less
- I. Expected benefit outlays during the fiscal year (from the prior year's valuation), equals
- J. Expected AL at FYE

Each liability reconciliation for the 2018 financial statements is shown below:

CHANGE IN MILITARY RETIREE MEDICAL BENEFITS LIABILITY  
MERHCF  
(\$ thousands)

Actuarial Liability as of 9/30/2017	\$526,986,077
Expected Normal Cost for FY 2018	\$10,498,293
Expected Interest Cost for FY 2018	\$20,223,891
Plan Amendment Liability	(\$18,195,037)
Actuarial (Gain)/Loss Due to Experience	(\$8,491,856)
Other Changes	\$1
	<hr/>
Subtotal: Expenses before (Gain)/Loss from Actuarial Assumption Changes	\$4,035,292
Actuarial (Gain)/Loss due to:	
Changes in Trend Assumptions	(\$6,598,129)
Changes in Assumptions other than Trend	\$21,547,648
	<hr/>
Subtotal: (Gain)/Loss from Actuarial Assumption Changes	\$14,949,519
Total Expenses	\$18,984,811
Less Benefit Outlays	(\$10,652,729)
	<hr/>
Total Change in Actuarial Liability	\$8,332,082
Actuarial Liability as of 9/30/2018	<u>\$535,318,159</u>

CHANGE IN MILITARY RETIREE MEDICAL BENEFITS LIABILITY  
CRM / DHA  
(\$ thousands)

Actuarial Liability as of 9/30/2017	\$183,330,084
Expected Normal Cost for FY 2018	\$7,125,531
Expected Interest Cost for FY 2018	\$7,082,209
Plan Amendment Liability	(\$2,709,849)
Actuarial (Gain)/Loss Due to Experience	(\$6,638,932)
Other Changes	<u>\$0</u>
Subtotal: Expenses before (Gain)/Loss from Actuarial Assumption Changes	\$4,858,959
Actuarial (Gain)/Loss due to:	
Changes in Trend Assumptions	(\$3,861,486)
Changes in Assumptions other than Trend	<u>\$2,031,080</u>
Subtotal: (Gain)/Loss from Actuarial Assumption Changes	(\$1,830,406)
Total Expenses	\$3,028,553
Less Benefit Outlays	<u>(\$8,240,218)</u>
Total Change in Actuarial Liability	(\$5,211,665)
Actuarial Liability as of 9/30/2018	<u><u>\$178,118,419</u></u>

CHANGE IN MILITARY RETIREE MEDICAL BENEFITS LIABILITY  
SMA  
(\$ thousands)

Actuarial Liability as of 9/30/2017	\$69,182,777
Expected Normal Cost for FY 2018	\$3,010,141
Expected Interest Cost for FY 2018	\$2,690,630
Plan Amendment Liability	\$31,565
Actuarial (Gain)/Loss Due to Experience	(\$2,090,980)
Other Changes	<u>(\$1)</u>
Subtotal: Expenses before (Gain)/Loss from Actuarial Assumption Changes	\$3,641,355
Actuarial (Gain)/Loss due to:	
Changes in Trend Assumptions	\$56,487
Changes in Assumptions other than Trend	<u>\$1,494,806</u>
Subtotal: (Gain)/Loss from Actuarial Assumption Changes	\$1,551,293
Total Expenses	\$5,192,648
Less Benefit Outlays	<u>(\$2,799,846)</u>
Total Change in Actuarial Liability	\$2,392,802
Actuarial Liability as of 9/30/2018	<u><u>\$71,575,579</u></u>

CHANGE IN MILITARY RETIREE MEDICAL BENEFITS LIABILITY, SPLIT BY SERVICE  
SMA  
(\$ thousands)

	<u>Army</u>	<u>Navy</u>	<u>AF</u>	<u>Total</u>
Actuarial Liability as of 9/30/2017	\$26,436,959	\$23,101,068	\$19,644,750	\$69,182,777
Expected Normal Cost for FY 2018	\$1,159,748	\$1,111,651	\$738,742	\$3,010,141
Expected Interest Cost for FY 2018	\$1,028,176	\$898,438	\$764,016	\$2,690,630
Plan Amendment Liability	\$12,555	\$10,748	\$8,262	\$31,565
Actuarial (Gain)/Loss Due to Experience	(\$831,698)	(\$711,972)	(\$547,310)	(\$2,090,980)
Other Changes	(\$1)	\$0	\$0	(\$1)
Subtotal: Expenses before (Gain)/Loss from Actuarial Assumption Changes	\$1,368,780	\$1,308,865	\$963,710	\$3,641,355
Actuarial (Gain)/Loss due to:				
Changes in Trend Assumptions	\$22,468	\$19,234	\$14,785	\$56,487
Changes in Assumptions other than Trend	\$594,566	\$508,977	\$391,263	\$1,494,806
Subtotal: (Gain)/Loss from Actuarial Assumption Changes	\$617,034	\$528,211	\$406,048	\$1,551,293
Total Expenses	\$1,985,814	\$1,837,076	\$1,369,758	\$5,192,648
Less Benefit Outlays	(\$1,107,825)	(\$901,246)	(\$790,775)	(\$2,799,846)
Total Change in Actuarial Liability	\$877,989	\$935,830	\$578,983	\$2,392,802
Actuarial Liability as of 9/30/2018	\$27,314,948	\$24,036,898	\$20,223,733	\$71,575,579

CHANGE IN MILITARY RETIREE MEDICAL BENEFITS LIABILITY  
DHP  
(\$ thousands)

Actuarial Liability as of 9/30/2017	\$252,512,861
Expected Normal Cost for FY 2018	\$10,135,672
Expected Interest Cost for FY 2018	\$9,772,839
Plan Amendment Liability	(\$2,678,284)
Actuarial (Gain)/Loss Due to Experience	(\$8,729,912)
Other Changes	(\$1)
	<hr/>
Subtotal: Expenses before (Gain)/Loss from Actuarial Assumption Changes	\$8,500,314
Actuarial (Gain)/Loss due to:	
Changes in Trend Assumptions	(\$3,804,999)
Changes in Assumptions other than Trend	\$3,525,886
	<hr/>
Subtotal: (Gain)/Loss from Actuarial Assumption Changes	(\$279,113)
Total Expenses	\$8,221,201
Less Benefit Outlays	(\$11,040,064)
	<hr/>
Total Change in Actuarial Liability	(\$2,818,863)
Actuarial Liability as of 9/30/2018	<u><u>\$249,693,998</u></u>

CHANGE IN MILITARY RETIREE MEDICAL BENEFITS LIABILITY  
 AGENCY-WIDE  
 (\$ thousands)

Actuarial Liability as of 9/30/2017	\$779,498,938
Expected Normal Cost for FY 2018	\$20,633,965
Expected Interest Cost for FY 2018	\$29,996,730
Plan Amendment Liability	(\$20,873,321)
Actuarial (Gain)/Loss Due to Experience	(\$17,221,768)
Other Changes	<u>\$0</u>
Subtotal: Expenses before (Gain)/Loss from Actuarial Assumption Changes	\$12,535,606
Actuarial (Gain)/Loss due to:	
Changes in Trend Assumptions	(\$10,403,128)
Changes in Assumptions other than Trend	<u>\$25,073,534</u>
Subtotal: (Gain)/Loss from Actuarial Assumption Changes	\$14,670,406
Total Expenses	\$27,206,012
Less Benefit Outlays	<u>(\$21,692,793)</u>
Total Change in Actuarial Liability	\$5,513,219
Actuarial Liability as of 9/30/2018	<u><u>\$785,012,157</u></u>

## MERHCF LIABILITY

Most of the assumptions and data are the same as what was used for the MERHCF funding valuation. However, two key assumptions, the discount rate and the trend assumptions, are different than what was used for the MERHCF funding valuation due to the SFFAS 33 requirements needed for the financial statement disclosures.<sup>4</sup>

## PURCHASED CARE LIABILITY

Three financial statements produced by DHA contain the actuarial liability (for retiree medical benefits) for Purchased Care incurred by non-Medicare eligible retirees and dependents – the CRM statement, DHA Consolidated statement, and DHP statement.

The CRM statement includes activities of Contract Resource Management, the DHA department responsible for the accounting, financial support, and financial reporting for TRICARE's Purchased Care contracts and Retail Pharmacy Refund program, as well as for processing vendor invoices.

The DHA Consolidated statement includes activities of CRM, FOD,<sup>5</sup> and USUHS. USUHS holds a retiree life reserve for a small, closed group of retirees who have life insurance benefits. The insurance contract was cancelled, and USUHS pays death benefits directly to beneficiaries upon the retirees' deaths. OACT receives an updated census annually and determines the appropriate reserve. Since this small amount of data is not credible, the reserve is simply the sum of death benefits payable. This retiree life reserve is included in the retiree medical liability of the DHA Consolidated financial statement, but it is not included in the Change in Medical Benefits Liability charts. As of 9/30/2018, the retiree life reserve was \$242 thousand.

The DHP statement combines the SMA statement (described below) with the DHA Consolidated statement, which includes all MHS activity that is not covered by the MERHCF.

The claim vectors, medical trend and participation assumptions used for this part of the PRB liability are different than those used for Purchased Care benefits covered by the MERHCF. Our development of the non-Medicare claim vectors (CVs<sup>6</sup>), medical trend and participation assumptions is similar to our development of these assumptions for the MERHCF valuation, except that we focus on data and other information specific to the non-Medicare eligible population.

For example, younger retirees have lower average per capita medical costs (different mix of services and lower intensity of care), are more likely to have other health insurance, yet have more covered dependents. On the other hand, older (Medicare eligible) retirees have lower net nondrug costs paid by TRICARE because Medicare is the primary payer. Annual medical trend rates and plan participation rates are also expected to be different between Medicare eligible and non-Medicare eligible retirees because of the difference in relative usage of Purchased Care and Direct Care, and a different mix of medical treatment and supplies.

The development of CVs for the US Family Health Plan (USFHP) and the treatment of USFHP in the valuation is similar for the CRM liability and the MERHCF liability. The only difference is the population (and therefore the USFHP enrollment and family size assumptions).

Many non-Medicare eligible retirees enroll in TRICARE PRIME, which requires an enrollment fee. Beginning CY 2018, this enrollment fee is collected by the medical claims processors and forwarded to DHA. Prior to CY 2018, the medical

<sup>4</sup> As discussed earlier in the section, "SFFAS 33 RESULTS IN DIFFERENT INTEREST AND INFLATION ASSUMPTIONS FOR FINANCIAL STATEMENT LIABILITIES."

<sup>5</sup> Financial Operations Division, responsible for developing, justifying and executing DHA Operations and Maintenance, Procurement, and RDT&E appropriations budgets.

<sup>6</sup> 168 CVs are developed for 12 retiree populations; 84 Medicare CVs (costs attributed to Medicare eligible members) and 84 non-Medicare CVs (costs attributed to non-Medicare eligible members).

claims processors retained the PRIME enrollment fees as part of their administrative fees. We project the estimated value of the enrollment fees collected as an offset to the retiree medical liability. Enrollment fee amounts are subject to annual CPI trend for some members (for other members, enrollment fees do not increase), whereas we assume the administrative costs and claims costs grow with medical trend. We develop enrollment fee vectors (FVs<sup>7</sup>) which are valued as an offset to plan cost.

Beginning January 2018, several TRICARE plan design changes were implemented for retirees. The changes include adding an annual benefits enrollment, replacing the Standard/Extra plan with a Select PPO, and introducing various cost-sharing changes to TRICARE PRIME and Select. These changes include both increases and decreases to cost sharing, depending on the medical service. Plan cost sharing also depends on which group a retiree is in – Group A or Group B. PRIME and Select cost sharing generally includes higher enrollment fees and higher annual catastrophic caps for Group B retirees than for Group A retirees. Group A includes everyone who entered the military before January 1, 2018, and Group B includes everyone who enters the military on or after January 1, 2018. The number of retirees in Group B will remain immaterial for several years. Tables summarizing the CY 2018 TRICARE For Life plan (for Medicare eligible retirees) and the CY 2018 TRICARE PRIME and Select plans (for retirees under age 65) are included at the end of this memo.

The impact of these medical plan changes on the actuarial liability is uncertain, especially since DoD has not yet implemented the active annual enrollment, nor have they begun charging a Select plan enrollment fee for Group A retirees (scheduled to begin CY 2021, if Congress determines the Select plan meets certain criteria). Both of these future events could result in an increase or decrease in the number of retired beneficiaries who choose a TRICARE plan as their primary plan. Because of this uncertainty, and since the DHP liability is unfunded (ie, no Normal Cost contribution), OACT decided to hold off on making any specific assumptions about potential cost savings or cost increases from these changes.

Separately, the 2018 NDAA contained changes to the TRICARE pharmacy benefit (effective February 2018), and assumptions for the impact of these changes were reflected in the September 30, 2017, valuation.

## SMA LIABILITY

The SMA liability (for retiree medical benefits) is comprised of Direct Care benefits that are provided to non-Medicare eligible DoD retirees and dependents.

The claim vectors, medical trend and participation assumptions used for the SMA liability are different than those used for DC benefits covered by the MERHCF. Our development of the non-Medicare claim vectors, medical trend and participation assumptions is similar to our development of these assumptions for the MERHCF valuation, except that we focus on data and other information specific to the non-Medicare eligible population.

For example, younger retirees have lower average per capita medical costs, more eligible dependents, and are more likely to have other medical coverage. In addition, older retirees are less likely to seek medical care at an MTF since Medicare eligible retirees are given the lowest patient priority and the specialty care they need may not be available at the nearest MTF.

## ECONOMIC ASSUMPTIONS

Economic assumptions include discount rate, medical trend rates, and plan participation rates. The FYE 2017 valuation used for the FY 2018 financial statement disclosures included a 3.60% discount rate for MERHCF and non-MERHCF

---

<sup>7</sup> 12 FVs are developed for 12 non-Medicare eligible retiree populations.

liabilities<sup>8</sup>. Trend rates vary by medical service type and place of service and are shown below. Participation rates also vary by medical service type and place of service.

#### CLAIM-RELATED ASSUMPTIONS

Details about incurred claims data and its use in the valuation model, including claim vector development, can be found in the MERHCF valuation report.

#### Purchased Care

FY 2017 PURCHASED CARE INCURRED CLAIMS  
NON-MEDICARE ELIGIBLE RETIREES  
(\$ millions)

Inpatient Hospital	\$1,521
Outpatient	\$4,008
<u>Pharmacy</u>	<u>\$1,550</u>
Total	\$7,079

FY 2017 PURCHASED CARE INCURRED CLAIMS  
MEDICARE ELIGIBLE RETIREES  
(\$ millions)

Inpatient Hospital	\$906
Outpatient	\$2,673
<u>Pharmacy</u>	<u>\$3,854</u>
Total	\$7,433

Incurred pharmacy claims in the charts above have not been adjusted to reflect rebates on retail brand prescriptions incurred during FY 2017.

#### Adjustment for Retail Brand Drug Rebates

The same method described in Appendix E in the Valuation of the Medicare-Eligible Retiree Health Care Fund (September 30, 2017) was used to adjust for non-Medicare eligible retiree drug costs. Accounting reports of expected rebates and rebate payments received in each incurred fiscal quarter were studied to estimate future actual to expected collection ratios. These estimates were converted to an effective PC pharmacy refund rate in the first valuation year. This refund rate represents the expected discounts on retail brand prescriptions as a percentage of total PC drug (retail plus mail order) net plan payments. For the September 30, 2017 valuation of non-Medicare eligible retirees, that rebate rate was approximately 15.0% (11.3% for Medicare eligible retirees). This rate was adjusted over the next 20 years to incorporate assumed future trends in drug dispensing venues (mail order vs. retail vs. MTF), changes in generic dispense rates, patent expirations, and new traditional and specialty drugs. The effective pharmacy rebate factor in year 20 of the valuation was approximately 15.8% for non-exempt and 14.8% for exempt non-Medicare eligible retirees (approximately 12.0% for non-exempt and 10.9% exempt Medicare eligible retirees)<sup>9</sup>. Since the refund rate is applied to the CVs that have been loaded for

<sup>8</sup> As discussed earlier in the section, "SFFAS 33 RESULTS IN DIFFERENT INTEREST AND INFLATION ASSUMPTIONS FOR FINANCIAL STATEMENT LIABILITIES"

<sup>9</sup> The projected pharmacy rebate factors for pharmacy claims incurred by beneficiaries who are exempt from the copay increases specified in the 2018 NDAA are a little lower than for non-exempt beneficiaries. The reason is that the rebate dollars are a smaller

administration costs, the effective drug refund rate must be divided by one plus the drug admin load in order to preserve the expected level of administration costs on pharmacy claims.

#### Adjustments to Mail Order Pharmacy Ingredient Costs

DoD pays to replenish its mail order warehouse supplies, and in doing so, obtains favorable federal drug pricing as well as additional savings and credits. The replenishment costs have been lower than the total of ingredient costs found in the claim records, so an adjustment is made to aggregate mail order pharmacy costs in order to reflect the actual amount DoD paid.

#### U.S. Family Health Plan (USFHP) Starting Costs

Approximately 2.0% of the Medicare eligible population and 2.3% of the non-Medicare eligible population are enrolled in a USFHP plan. USFHP is a managed care plan, offered in six US locations, that is funded on a fully capitated or global rate basis.

OACT produced USFHP CVs<sup>10</sup> based on the average family global rate per retired sponsor or survivor who is Medicare eligible (for the Medicare CVs) or not Medicare eligible (for the non-Medicare CVs) and enrolled in USFHP. Actual monthly premiums for each of the six USFHP locations were weighted by monthly USFHP enrollment of retired members to compute average global rates by age and gender. Since the USFHP CVs are applied to all eligible sponsors and survivors and are calibrated to aggregated incurred global rate payments, the values in these CVs are significantly lower than the capitated rates paid on behalf of USFHP members.

The aggregate FY 2017 incurred USFHP payments (\$705 million and \$407 million for the Medicare eligible and non-Medicare eligible retirees, respectively) were determined using monthly enrollment data from the Military Health System Data Mart (M2), and verified against DHA's Contract Resource Management (CRM) MERHCF and DHA Trust Fund Reports.

FY 2017 incurred USFHP payments for non-Medicare eligible members were then multiplied by 1.137 to adjust for the expected growth in USFHP enrollment over the next five years<sup>11</sup>. This adjustment, determined by projecting recent USFHP enrollment growth, is consistent with the adjustments that were made to the aggregate incurred PC and DC claims (see below).

#### Administrative Costs

Most of the administration costs for this program are incorporated in the USFHP capitation rates. There is a small, additional administrative cost associated with enrollment administration and billing consolidation. For the September 30, 2017, valuation, the MERHCF Board approved an administration cost load of 0.32% for the USFHP CVs.

---

percent of exempt beneficiaries' net pharmacy claims since their copays are not increasing. Exempt beneficiaries include medically retired sponsors and their dependents, and survivors of sponsors who died while on active duty.

<sup>10</sup> In the case of USFHP, CV refers to the age-based vector of capitation rates. "Capitation rate" and "global rate" are used interchangeably.

<sup>11</sup> Effective 10/1/2012, a military retiree (or eligible family member) who becomes eligible for Medicare due to age may not enroll or stay enrolled in the US Family Health Plan, unless the military retiree (or eligible family member) was enrolled in the plan on September 30, 2012. This eligibility change requires that an adjustment be made in each projection year to account for future changes in USFHP enrollment patterns for Medicare-eligible members enrolled in USFHP (and this is handled in the MERHCF portion of the valuation). This change to the USFHP eligibility rules is described in the National Defense Authorization Act for FY 2012 (P.L. 112-81, Section 708).

Direct Care

FY 2017 DIRECT CARE COSTS  
NON-MEDICARE ELIGIBLE RETIREES  
(\$ millions)

Inpatient Hospital	\$513
Outpatient	\$1,502
<u>Pharmacy</u>	<u>\$676</u>
Total	\$2,692

FY 2017 DIRECT CARE COSTS  
MEDICARE ELIGIBLE RETIREES  
(\$ millions)

Inpatient Hospital	\$616
Outpatient	\$720
<u>Pharmacy</u>	<u>\$801</u>
Total	\$2,137

A small adjustment was made to the PC and DC aggregate incurred claims levels to reflect near-term expected growth in USFHP enrollment (non-Medicare eligible members). Based on recent experience, OACT assumed USFHP enrollment growth for non-Medicare eligible members would continue to exceed general population growth of non-Medicare eligible members. For retired members under age 65, an assumption was made about USFHP enrollment growth over the first five projection years of the valuation model, which resulted in the application of the following factor to each of the DC and PC retired non-Medicare eligible incurred claims values:

$$\frac{(1 - \text{USFHP enrollment \% in five years})}{(1 - \text{USFHP enrollment \% in current year})} = 0.9967$$

## TABLES: MEDICAL TREND RATES, PLAN PARTICIPATION RATES, AND CLAIM VECTORS

The following tables summarize various valuation assumptions for non-Medicare eligible and Medicare eligible populations. Certain descriptions provided in OACT's report titled Valuation of the Medicare-Eligible Retiree Health Care Fund (September 30, 2017) were not replicated in this memo. Please refer to the valuation report for more information about medical trend and participation rate development.

MEDICAL TREND RATES  
25 YEAR SELECT PERIOD AND ULTIMATE  
NON-MEDICARE ELIGIBLE RETIREES

From FY:	To FY:	DC			PC			
		IP	OP	Rx	IP	OP	Rx	USFHP
2017	2018	4.45%	6.00%	6.00%	1.95%	3.30%	3.28%	3.95%
2018	2019	4.45%	6.00%	6.10%	1.93%	3.28%	5.95%	4.31%
2019	2020	4.43%	5.92%	6.00%	2.02%	3.31%	3.40%	3.97%
2020	2021	4.41%	5.83%	5.91%	2.11%	3.34%	3.43%	4.12%
2021	2022	4.39%	5.75%	5.83%	2.19%	3.37%	3.45%	3.79%
2022	2023	4.38%	5.67%	5.74%	2.28%	3.40%	3.48%	3.82%
2023	2024	4.36%	5.58%	5.65%	2.36%	3.43%	3.51%	3.84%
2024	2025	4.34%	5.50%	5.57%	2.45%	3.46%	3.53%	3.85%
2025	2026	4.32%	5.42%	5.48%	2.54%	3.49%	3.56%	3.87%
2026	2027	4.30%	5.33%	5.39%	2.62%	3.52%	3.58%	3.89%
2027	2028	4.28%	5.25%	5.30%	2.71%	3.55%	3.61%	3.90%
2028	2029	4.26%	5.17%	5.22%	2.79%	3.58%	3.64%	3.91%
2029	2030	4.24%	5.08%	5.13%	2.88%	3.61%	3.66%	3.92%
2030	2031	4.23%	5.00%	5.04%	2.97%	3.64%	3.69%	3.94%
2031	2032	4.21%	4.92%	4.96%	3.05%	3.67%	3.71%	3.95%
2032	2033	4.19%	4.83%	4.87%	3.14%	3.70%	3.74%	3.95%
2033	2034	4.17%	4.75%	4.78%	3.22%	3.73%	3.77%	3.96%
2034	2035	4.15%	4.67%	4.70%	3.31%	3.76%	3.79%	3.97%
2035	2036	4.13%	4.58%	4.61%	3.40%	3.79%	3.82%	3.97%
2036	2037	4.11%	4.50%	4.52%	3.48%	3.82%	3.84%	3.98%
2037	2038	4.09%	4.42%	4.43%	3.57%	3.85%	3.87%	3.98%
2038	2039	4.08%	4.33%	4.35%	3.66%	3.88%	3.90%	3.99%
2039	2040	4.06%	4.25%	4.26%	3.74%	3.91%	3.92%	3.99%
2040	2041	4.04%	4.17%	4.17%	3.83%	3.94%	3.95%	3.99%
2041	2042	4.02%	4.08%	4.09%	3.91%	3.97%	3.97%	4.00%
ultimate		4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

MEDICAL TREND RATES  
25 YEAR SELECT PERIOD AND ULTIMATE  
MEDICARE ELIGIBLE RETIREES

<u>From FY:</u>	<u>To FY:</u>	<u>DC</u>			<u>PC</u>			
		<u>IP</u>	<u>OP</u>	<u>Rx</u>	<u>IP</u>	<u>OP</u>	<u>Rx</u>	<u>USFHP</u>
2017	2018	2.50%	4.00%	3.80%	1.00%	3.00%	3.12%	2.52%
2018	2019	2.50%	4.00%	5.75%	1.15%	3.00%	5.75%	2.94%
2019	2020	2.83%	5.04%	4.00%	2.15%	5.04%	3.63%	4.01%
2020	2021	3.75%	5.36%	4.00%	2.86%	5.36%	3.69%	4.52%
2021	2022	4.22%	5.46%	4.00%	3.22%	5.46%	3.70%	4.36%
2022	2023	4.45%	5.55%	4.00%	3.39%	5.55%	3.72%	4.48%
2023	2024	4.39%	5.55%	4.00%	3.34%	5.55%	3.73%	4.48%
2024	2025	4.46%	6.20%	4.00%	3.39%	6.20%	3.75%	4.83%
2025	2026	4.50%	5.76%	4.00%	3.43%	5.76%	3.76%	4.64%
2026	2027	4.64%	5.45%	4.00%	3.53%	5.45%	3.78%	4.53%
2027	2028	4.60%	5.36%	4.00%	3.56%	5.36%	3.79%	4.51%
2028	2029	4.56%	5.27%	4.00%	3.59%	5.27%	3.80%	4.48%
2029	2030	4.52%	5.18%	4.00%	3.62%	5.18%	3.82%	4.45%
2030	2031	4.48%	5.09%	4.00%	3.65%	5.09%	3.83%	4.42%
2031	2032	4.44%	5.00%	4.00%	3.68%	5.00%	3.85%	4.39%
2032	2033	4.40%	4.91%	4.00%	3.71%	4.91%	3.86%	4.36%
2033	2034	4.36%	4.82%	4.00%	3.74%	4.82%	3.87%	4.33%
2034	2035	4.32%	4.73%	4.00%	3.77%	4.73%	3.89%	4.29%
2035	2036	4.28%	4.64%	4.00%	3.80%	4.64%	3.90%	4.26%
2036	2037	4.24%	4.54%	4.00%	3.83%	4.54%	3.92%	4.22%
2037	2038	4.20%	4.45%	4.00%	3.85%	4.45%	3.93%	4.18%
2038	2039	4.16%	4.36%	4.00%	3.88%	4.36%	3.94%	4.15%
2039	2040	4.12%	4.27%	4.00%	3.91%	4.27%	3.96%	4.11%
2040	2041	4.08%	4.18%	4.00%	3.94%	4.18%	3.97%	4.07%
2041	2042	4.04%	4.09%	4.00%	3.97%	4.09%	3.99%	4.04%
ultimate		4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

PLAN PARTICIPATION RATES  
NON-MEDICARE ELIGIBLE RETIREES

<u>Fiscal Year</u>	<u>DC IP</u>	<u>DC OP</u>	<u>DC Rx</u>	<u>PC IP</u>	<u>PC OP</u>	<u>PC Rx</u>
2017	102.0%	103.0%	102.0%	98.0%	97.6%	97.8%
2018	101.3%	102.0%	101.3%	98.5%	98.2%	98.4%
2019	100.7%	101.0%	100.7%	99.0%	98.9%	99.0%
2020	100.0%	100.0%	100.0%	99.6%	99.5%	99.5%
2021	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2022	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

PLAN PARTICIPATION RATES  
MEDICARE ELIGIBLE RETIREES

<u>Fiscal Year</u>	<u>DC IP</u>	<u>DC OP</u>	<u>DC Rx</u>	<u>PC IP</u>	<u>PC OP</u>	<u>PC Rx</u>
2017	102.0%	102.0%	101.0%	98.8%	98.8%	98.7%
2018	101.5%	101.5%	100.8%	99.1%	99.1%	99.0%
2019	100.9%	100.9%	100.6%	99.4%	99.4%	99.3%
2020	100.3%	100.3%	100.3%	99.6%	99.7%	99.6%
2021	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2022	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

FY 2017 CLAIM VECTORS FOR NON-MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Direct Care - Inpatient											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$226.79	\$395.63	\$0.00	\$0.00	\$226.79	\$395.63	\$412.89	\$92.04	\$26.64	\$142.00
25	\$0.00	\$0.00	\$226.79	\$395.63	\$0.00	\$0.00	\$226.79	\$395.63	\$412.89	\$92.04	\$26.64	\$142.00
30	\$0.00	\$0.00	\$317.34	\$395.63	\$0.00	\$0.00	\$317.34	\$395.63	\$196.04	\$92.04	\$26.64	\$142.00
35	\$462.56	\$361.71	\$368.50	\$395.63	\$0.00	\$0.00	\$368.50	\$395.63	\$170.63	\$92.04	\$26.64	\$142.00
40	\$462.56	\$361.71	\$387.33	\$457.58	\$0.00	\$0.00	\$387.33	\$457.58	\$154.68	\$92.04	\$26.64	\$142.00
45	\$429.73	\$361.71	\$370.21	\$492.26	\$0.00	\$0.00	\$370.21	\$492.26	\$146.46	\$92.04	\$26.64	\$142.00
50	\$416.93	\$375.81	\$324.05	\$502.81	\$116.28	\$87.71	\$324.05	\$502.81	\$144.71	\$143.08	\$26.64	\$142.00
55	\$424.44	\$409.76	\$269.93	\$484.89	\$116.28	\$87.71	\$269.93	\$484.89	\$148.48	\$175.16	\$26.64	\$142.00
60	\$461.76	\$460.69	\$259.95	\$434.37	\$116.28	\$87.71	\$259.95	\$434.37	\$157.04	\$179.36	\$26.64	\$142.00
65	\$538.95	\$527.26	\$259.95	\$347.30	\$107.98	\$106.11	\$259.95	\$347.30	\$169.79	\$133.93	\$26.49	\$142.00
70	\$23.61	\$49.99	\$42.34	\$20.07	\$15.37	\$8.11	\$42.34	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
75	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
80	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
85	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
90	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
95	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
100	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
105	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
110	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28
115	\$23.61	\$4.85	\$9.43	\$20.07	\$3.87	\$4.39	\$9.43	\$20.07	\$3.84	\$3.94	\$2.00	\$2.28

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR NON-MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Direct Care - Outpatient											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$707.16	\$1,167.20	\$0.00	\$0.00	\$707.16	\$1,167.20	\$749.88	\$676.20	\$74.98	\$120.36
25	\$0.00	\$0.00	\$707.16	\$1,167.20	\$0.00	\$0.00	\$707.16	\$1,167.20	\$749.88	\$676.20	\$74.98	\$120.36
30	\$0.00	\$0.00	\$793.91	\$1,167.20	\$0.00	\$0.00	\$793.91	\$1,167.20	\$567.66	\$676.20	\$74.98	\$120.36
35	\$1,834.35	\$1,714.59	\$1,033.21	\$1,167.20	\$0.00	\$0.00	\$1,033.21	\$1,167.20	\$538.74	\$676.20	\$74.98	\$120.36
40	\$1,834.35	\$1,714.59	\$1,206.19	\$1,515.26	\$0.00	\$0.00	\$1,206.19	\$1,515.26	\$502.78	\$676.20	\$74.98	\$120.36
45	\$1,601.10	\$1,752.23	\$1,136.97	\$1,542.56	\$0.00	\$0.00	\$1,136.97	\$1,542.56	\$461.92	\$676.20	\$74.98	\$120.36
50	\$1,428.45	\$1,704.21	\$857.39	\$1,453.93	\$268.04	\$329.76	\$857.39	\$1,453.93	\$419.98	\$599.29	\$74.98	\$120.36
55	\$1,272.55	\$1,593.59	\$568.53	\$1,266.38	\$268.04	\$329.76	\$568.53	\$1,266.38	\$382.67	\$548.60	\$74.98	\$120.36
60	\$1,147.76	\$1,428.72	\$456.72	\$993.14	\$268.04	\$329.76	\$456.72	\$993.14	\$357.85	\$468.86	\$97.23	\$120.36
65	\$1,070.29	\$1,216.28	\$402.81	\$644.72	\$165.43	\$258.73	\$402.81	\$644.72	\$355.71	\$358.40	\$118.76	\$152.99
70	\$55.22	\$141.18	\$72.80	\$35.86	\$29.19	\$33.65	\$72.80	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
75	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
80	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
85	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
90	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
95	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
100	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
105	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
110	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09
115	\$55.22	\$13.10	\$12.60	\$35.86	\$8.59	\$5.30	\$12.60	\$35.86	\$4.44	\$3.30	\$2.69	\$2.09

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR NON-MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Direct Care - Pharmacy											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$148.78	\$549.82	\$0.00	\$0.00	\$148.78	\$549.82	\$73.46	\$256.47	\$59.88	\$70.85
25	\$0.00	\$0.00	\$148.78	\$549.82	\$0.00	\$0.00	\$148.78	\$549.82	\$73.46	\$256.47	\$59.88	\$70.85
30	\$0.00	\$0.00	\$253.76	\$549.82	\$0.00	\$0.00	\$253.76	\$549.82	\$85.33	\$256.47	\$59.88	\$70.85
35	\$572.97	\$491.93	\$339.09	\$549.82	\$0.00	\$0.00	\$339.09	\$549.82	\$108.02	\$256.47	\$59.88	\$70.85
40	\$572.97	\$491.93	\$404.94	\$628.47	\$0.00	\$0.00	\$404.94	\$628.47	\$131.39	\$256.47	\$59.88	\$70.85
45	\$598.99	\$612.09	\$436.14	\$664.33	\$0.00	\$0.00	\$436.14	\$664.33	\$154.63	\$256.47	\$59.88	\$70.85
50	\$595.36	\$658.19	\$424.38	\$677.26	\$86.71	\$125.13	\$424.38	\$677.26	\$176.75	\$173.76	\$59.88	\$70.85
55	\$581.23	\$663.33	\$373.77	\$656.42	\$86.71	\$125.13	\$373.77	\$656.42	\$196.57	\$177.82	\$59.88	\$70.85
60	\$581.60	\$639.14	\$306.76	\$589.19	\$86.71	\$125.13	\$306.76	\$589.19	\$212.68	\$200.20	\$80.46	\$70.85
65	\$632.39	\$617.72	\$270.59	\$461.15	\$155.35	\$145.94	\$270.59	\$461.15	\$223.42	\$240.87	\$84.78	\$83.55
70	\$33.19	\$66.75	\$51.95	\$20.88	\$29.55	\$26.28	\$51.95	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
75	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
80	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
85	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
90	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
95	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
100	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
105	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
110	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26
115	\$33.19	\$9.07	\$4.37	\$20.88	\$4.18	\$4.41	\$4.37	\$20.88	\$2.27	\$1.16	\$1.70	\$0.26

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR NON-MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Purchased Care - Inpatient											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$876.16	\$1,449.04	\$0.00	\$0.00	\$876.16	\$1,449.04	\$1,603.59	\$871.16	\$703.79	\$763.86
25	\$0.00	\$0.00	\$876.16	\$1,449.04	\$0.00	\$0.00	\$876.16	\$1,449.04	\$1,603.59	\$871.16	\$703.79	\$763.86
30	\$0.00	\$0.00	\$1,317.74	\$1,449.04	\$0.00	\$0.00	\$1,317.74	\$1,449.04	\$1,603.59	\$871.16	\$703.79	\$763.86
35	\$1,435.38	\$938.87	\$1,522.39	\$1,449.04	\$0.00	\$0.00	\$1,522.39	\$1,449.04	\$1,419.85	\$871.16	\$703.79	\$763.86
40	\$1,435.38	\$938.87	\$1,575.62	\$1,359.37	\$0.00	\$0.00	\$1,575.62	\$1,359.37	\$1,261.81	\$871.16	\$703.79	\$763.86
45	\$1,165.69	\$938.87	\$1,492.50	\$1,369.43	\$0.00	\$0.00	\$1,492.50	\$1,369.43	\$1,134.23	\$871.16	\$703.79	\$763.86
50	\$1,169.16	\$1,044.09	\$1,320.93	\$1,385.10	\$448.11	\$327.63	\$1,320.93	\$1,385.10	\$1,049.95	\$976.55	\$703.79	\$763.86
55	\$1,285.22	\$1,122.50	\$1,150.58	\$1,408.46	\$448.11	\$327.63	\$1,150.58	\$1,408.46	\$1,024.99	\$923.90	\$703.79	\$763.86
60	\$1,498.81	\$1,200.91	\$1,150.19	\$1,442.06	\$448.11	\$327.63	\$1,150.19	\$1,442.06	\$1,078.91	\$887.78	\$703.79	\$763.86
65	\$1,797.97	\$1,279.33	\$1,273.92	\$1,488.93	\$928.45	\$896.41	\$1,273.92	\$1,488.93	\$1,235.17	\$754.14	\$37.82	\$690.96
70	\$366.30	\$198.54	\$273.72	\$90.63	\$204.13	\$161.11	\$273.72	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
75	\$134.57	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
80	\$23.77	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
85	\$23.77	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
90	\$23.77	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
95	\$23.77	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
100	\$23.77	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
105	\$23.77	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
110	\$23.77	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51
115	\$23.77	\$40.96	\$83.91	\$90.63	\$29.39	\$26.62	\$83.91	\$90.63	\$22.01	\$34.01	\$37.82	\$10.51

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR NON-MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Purchased Care - Outpatient											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$2,061.65	\$4,154.66	\$0.00	\$0.00	\$2,061.65	\$4,154.66	\$2,872.25	\$2,972.28	\$1,566.36	\$1,713.85
25	\$0.00	\$0.00	\$2,061.65	\$4,154.66	\$0.00	\$0.00	\$2,061.65	\$4,154.66	\$2,872.25	\$2,972.28	\$1,566.36	\$1,713.85
30	\$0.00	\$0.00	\$3,346.68	\$4,154.66	\$0.00	\$0.00	\$3,346.68	\$4,154.66	\$2,872.25	\$2,972.28	\$1,566.36	\$1,713.85
35	\$4,468.89	\$4,587.42	\$4,071.81	\$4,154.66	\$0.00	\$0.00	\$4,071.81	\$4,154.66	\$3,150.80	\$2,972.28	\$1,566.36	\$1,713.85
40	\$4,468.89	\$4,587.42	\$4,329.07	\$5,190.48	\$0.00	\$0.00	\$4,329.07	\$5,190.48	\$3,008.92	\$2,972.28	\$1,566.36	\$1,713.85
45	\$3,997.87	\$4,496.41	\$4,078.79	\$5,470.16	\$0.00	\$0.00	\$4,078.79	\$5,470.16	\$2,705.83	\$2,972.28	\$1,566.36	\$1,713.85
50	\$3,770.13	\$4,282.28	\$3,415.85	\$5,011.29	\$1,345.71	\$1,619.97	\$3,415.85	\$5,011.29	\$2,326.35	\$2,449.93	\$1,566.36	\$1,713.85
55	\$3,557.20	\$4,078.61	\$2,588.29	\$4,074.09	\$1,345.71	\$1,619.97	\$2,588.29	\$4,074.09	\$1,985.70	\$2,225.28	\$1,566.36	\$1,713.85
60	\$3,408.96	\$3,884.00	\$2,267.65	\$3,255.50	\$1,345.71	\$1,619.97	\$2,267.65	\$3,255.50	\$1,827.86	\$2,056.20	\$1,566.36	\$1,713.85
65	\$3,395.63	\$3,697.35	\$2,286.08	\$3,196.77	\$2,235.72	\$2,636.22	\$2,286.08	\$3,196.77	\$2,024.30	\$1,970.39	\$1,841.20	\$1,931.31
70	\$726.21	\$718.09	\$513.41	\$218.70	\$483.08	\$538.91	\$513.41	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
75	\$302.87	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
80	\$44.48	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
85	\$44.48	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
90	\$44.48	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
95	\$44.48	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
100	\$44.48	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
105	\$44.48	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
110	\$44.48	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93
115	\$44.48	\$84.91	\$146.02	\$218.70	\$99.30	\$70.36	\$146.02	\$218.70	\$20.41	\$18.92	\$16.51	\$13.93

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR NON-MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Purchased Care - Pharmacy											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$497.66	\$1,243.28	\$0.00	\$0.00	\$497.66	\$1,243.28	\$420.27	\$796.54	\$742.95	\$713.03
25	\$0.00	\$0.00	\$497.66	\$1,243.28	\$0.00	\$0.00	\$497.66	\$1,243.28	\$420.27	\$796.54	\$742.95	\$713.03
30	\$0.00	\$0.00	\$839.29	\$1,243.28	\$0.00	\$0.00	\$839.29	\$1,243.28	\$601.05	\$796.54	\$742.95	\$713.03
35	\$1,118.49	\$1,434.93	\$1,107.79	\$1,243.28	\$0.00	\$0.00	\$1,107.79	\$1,243.28	\$729.14	\$796.54	\$742.95	\$713.03
40	\$1,118.49	\$1,434.93	\$1,303.14	\$1,764.02	\$0.00	\$0.00	\$1,303.14	\$1,764.02	\$811.73	\$796.54	\$742.95	\$713.03
45	\$1,184.28	\$1,452.93	\$1,378.04	\$1,927.90	\$0.00	\$0.00	\$1,378.04	\$1,927.90	\$857.14	\$796.54	\$742.95	\$713.03
50	\$1,221.21	\$1,452.74	\$1,313.25	\$1,929.30	\$473.65	\$486.33	\$1,313.25	\$1,929.30	\$871.43	\$845.09	\$742.95	\$713.03
55	\$1,236.76	\$1,504.26	\$1,189.53	\$1,795.83	\$473.65	\$486.33	\$1,189.53	\$1,795.83	\$859.15	\$850.44	\$742.95	\$713.03
60	\$1,233.79	\$1,575.90	\$1,065.81	\$1,636.69	\$473.65	\$486.33	\$1,065.81	\$1,636.69	\$823.87	\$874.89	\$742.95	\$713.03
65	\$1,214.56	\$1,621.43	\$942.09	\$1,670.49	\$919.35	\$1,188.86	\$942.09	\$1,670.49	\$768.41	\$929.11	\$788.32	\$704.94
70	\$298.64	\$279.56	\$255.82	\$97.27	\$239.94	\$260.30	\$255.82	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
75	\$130.55	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
80	\$17.22	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
85	\$17.22	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
90	\$17.22	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
95	\$17.22	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
100	\$17.22	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
105	\$17.22	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
110	\$17.22	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91
115	\$17.22	\$48.42	\$47.88	\$97.27	\$64.08	\$33.73	\$47.88	\$97.27	\$9.72	\$19.50	\$5.02	\$4.91

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR NON-MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Purchased Care - USFHP													
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Disabled				
Age	Enlistee	Officer	Enlistee	Officer	Enlistee	Officer	Enlistee	Officer	Enlistee	Officer	Enlistee	Officer	
20	\$0.00	\$0.00	\$325.38	\$335.60	\$0.00	\$0.00	\$325.38	\$335.60	\$211.92	\$235.15	\$161.50	\$216.61	
25	\$0.00	\$0.00	\$325.38	\$335.60	\$0.00	\$0.00	\$325.38	\$335.60	\$211.92	\$235.15	\$161.50	\$216.61	
30	\$0.00	\$0.00	\$325.38	\$335.60	\$0.00	\$0.00	\$325.38	\$335.60	\$211.92	\$235.15	\$161.50	\$216.61	
35	\$358.74	\$370.69	\$325.38	\$335.60	\$0.00	\$0.00	\$325.38	\$335.60	\$211.92	\$235.15	\$161.50	\$216.61	
40	\$358.74	\$370.69	\$325.38	\$335.60	\$0.00	\$0.00	\$325.38	\$335.60	\$211.92	\$235.15	\$161.50	\$216.61	
45	\$344.77	\$370.69	\$325.38	\$335.60	\$0.00	\$0.00	\$325.38	\$335.60	\$211.92	\$235.15	\$161.50	\$216.61	
50	\$339.63	\$372.82	\$325.38	\$335.60	\$294.43	\$359.07	\$325.38	\$335.60	\$211.92	\$235.15	\$161.50	\$216.61	
55	\$337.92	\$381.37	\$280.45	\$336.96	\$294.43	\$359.07	\$280.45	\$336.96	\$211.92	\$231.83	\$212.23	\$228.36	
60	\$339.17	\$374.43	\$280.45	\$336.96	\$312.70	\$364.22	\$280.45	\$336.96	\$204.53	\$231.83	\$212.23	\$228.36	
65	\$343.03	\$359.95	\$280.45	\$336.96	\$364.05	\$364.22	\$280.45	\$336.96	\$204.69	\$222.35	\$212.23	\$228.36	
70	\$25.16	\$54.40	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
75	\$25.16	\$22.69	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
80	\$25.16	\$9.07	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
85	\$25.16	\$9.07	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
90	\$25.16	\$9.07	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
95	\$25.16	\$9.07	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
100	\$25.16	\$9.07	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
105	\$25.16	\$9.07	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
110	\$25.16	\$9.07	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	
115	\$25.16	\$9.07	\$40.01	\$32.60	\$40.44	\$35.46	\$40.01	\$32.60	\$2.57	\$2.32	\$2.41	\$2.85	

Act. Duty = Active Duty  
Nondis. = Nondisabled

Note about USFHP CVs: Since the USFHP CVs are applied to all eligible sponsors and survivors and are calibrated to aggregated incurred global rate payments, the values in these CVs are significantly lower than the capitated rates paid on behalf of USFHP members.

FY 2017 FEE VECTORS FOR NON-MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Purchased Care - Enrollment Fee													
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Disabled				
Age	Enlistee	Officer	Enlistee	Officer	Enlistee	Officer	Enlistee	Officer	Enlistee	Officer	Enlistee	Officer	
20	\$212.27	\$186.57	\$129.16	\$114.45	\$0.00	\$0.00	\$129.16	\$114.45	\$169.92	\$169.92	\$81.56	\$81.56	
25	\$288.85	\$261.62	\$173.55	\$152.75	\$0.00	\$0.00	\$173.55	\$152.75	\$169.92	\$169.92	\$81.56	\$81.56	
30	\$316.13	\$314.97	\$193.76	\$179.21	\$0.00	\$0.00	\$193.76	\$179.21	\$169.92	\$169.92	\$81.56	\$81.56	
35	\$327.72	\$340.14	\$202.97	\$195.43	\$0.00	\$0.00	\$202.97	\$195.43	\$169.92	\$169.92	\$81.56	\$81.56	
40	\$333.55	\$345.91	\$205.12	\$202.67	\$0.00	\$0.00	\$205.12	\$202.67	\$169.92	\$169.92	\$81.56	\$81.56	
45	\$337.74	\$347.22	\$203.41	\$204.12	\$0.00	\$0.00	\$203.41	\$204.12	\$169.92	\$169.92	\$81.56	\$81.56	
50	\$340.51	\$349.22	\$199.16	\$202.09	\$0.00	\$0.00	\$199.16	\$202.09	\$169.92	\$169.92	\$81.56	\$81.56	
55	\$330.79	\$340.87	\$187.43	\$192.25	\$0.00	\$0.00	\$187.43	\$192.25	\$135.94	\$135.94	\$65.25	\$65.25	
60	\$324.43	\$336.91	\$180.59	\$187.09	\$85.30	\$85.23	\$189.37	\$189.21	\$113.28	\$113.28	\$54.38	\$54.38	
65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
105	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
115	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Note about FVs: The FVs are developed by dividing estimated PRIME enrollment fees collected by the total number of retired (or survivor) sponsors, including those who do not enroll in PRIME.

FY 2017 CLAIM VECTORS FOR MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Direct Care - Inpatient											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$48.02	\$84.85	\$0.00	\$0.00	\$48.02	\$84.85	\$6.51	\$0.00	\$13.25	\$3.79
25	\$0.00	\$0.00	\$48.02	\$84.85	\$0.00	\$0.00	\$48.02	\$84.85	\$6.51	\$0.00	\$13.25	\$3.79
30	\$0.00	\$0.00	\$48.02	\$84.85	\$0.00	\$0.00	\$48.02	\$84.85	\$6.51	\$0.00	\$13.25	\$3.79
35	\$14.36	\$14.08	\$66.79	\$84.85	\$0.00	\$0.00	\$66.79	\$84.85	\$6.51	\$0.00	\$13.25	\$3.79
40	\$14.36	\$14.08	\$79.02	\$84.85	\$0.00	\$0.00	\$79.02	\$84.85	\$6.51	\$0.00	\$13.25	\$3.79
45	\$14.36	\$14.08	\$92.95	\$84.85	\$0.00	\$0.00	\$92.95	\$84.85	\$5.75	\$0.57	\$13.25	\$3.79
50	\$20.38	\$14.08	\$112.00	\$84.85	\$17.22	\$0.97	\$112.00	\$84.85	\$9.27	\$3.98	\$13.25	\$3.79
55	\$38.44	\$14.08	\$141.70	\$134.26	\$17.22	\$0.97	\$141.70	\$134.26	\$21.29	\$10.60	\$13.25	\$3.79
60	\$81.16	\$14.08	\$190.15	\$215.25	\$17.22	\$0.97	\$190.15	\$215.25	\$48.90	\$22.02	\$13.25	\$3.79
65	\$176.57	\$103.80	\$268.44	\$265.59	\$49.75	\$37.19	\$268.44	\$265.59	\$101.81	\$40.27	\$13.59	\$3.79
70	\$536.61	\$367.17	\$296.48	\$379.99	\$79.03	\$72.75	\$296.48	\$379.99	\$195.74	\$131.87	\$18.69	\$28.59
75	\$600.34	\$425.87	\$466.12	\$589.46	\$99.90	\$86.31	\$466.12	\$589.46	\$224.01	\$155.50	\$28.39	\$42.57
80	\$663.04	\$522.99	\$590.88	\$772.69	\$126.47	\$105.31	\$590.88	\$772.69	\$244.55	\$183.21	\$34.32	\$48.47
85	\$722.36	\$623.57	\$623.79	\$889.89	\$149.85	\$129.24	\$623.79	\$889.89	\$253.75	\$206.33	\$36.35	\$49.94
90	\$775.36	\$701.19	\$896.46	\$889.85	\$160.08	\$157.67	\$896.46	\$889.85	\$247.62	\$217.20	\$34.34	\$48.41
95	\$823.36	\$744.83	\$896.46	\$570.95	\$131.09	\$208.79	\$896.46	\$570.95	\$221.77	\$209.01	\$23.64	\$37.57
100	\$823.36	\$744.83	\$896.46	\$570.95	\$131.09	\$208.79	\$896.46	\$570.95	\$128.23	\$132.66	\$23.64	\$37.57
105	\$823.36	\$744.83	\$896.46	\$570.95	\$131.09	\$208.79	\$896.46	\$570.95	\$128.23	\$132.66	\$23.64	\$37.57
110	\$823.36	\$744.83	\$896.46	\$570.95	\$131.09	\$208.79	\$896.46	\$570.95	\$128.23	\$132.66	\$23.64	\$37.57
115	\$823.36	\$744.83	\$896.46	\$570.95	\$131.09	\$208.79	\$896.46	\$570.95	\$128.23	\$132.66	\$23.64	\$37.57

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

<u>Age</u>	<u>Direct Care - Outpatient</u>											
	<u>Retiree</u>	<u>Retiree</u>	<u>Retiree</u>	<u>Retiree</u>	<u>Retiree</u>	<u>Retiree</u>	<u>Retiree</u>	<u>Retiree</u>	<u>Survivor</u>	<u>Survivor</u>	<u>Survivor</u>	<u>Survivor</u>
	<u>Act. Duty</u>	<u>Act. Duty</u>	<u>Act. Duty</u>	<u>Act. Duty</u>	<u>Reserve</u>	<u>Reserve</u>	<u>Reserve</u>	<u>Reserve</u>	<u>Act. Duty</u>	<u>Act. Duty</u>	<u>Reserve</u>	<u>Reserve</u>
	<u>Nondis.</u>	<u>Nondis.</u>	<u>Disabled</u>	<u>Disabled</u>	<u>Nondis.</u>	<u>Nondis.</u>	<u>Disabled</u>	<u>Disabled</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$66.18	\$167.94	\$0.00	\$0.00	\$66.18	\$167.94	\$5.58	\$2.38	\$23.28	\$7.95
25	\$0.00	\$0.00	\$66.18	\$167.94	\$0.00	\$0.00	\$66.18	\$167.94	\$5.58	\$2.38	\$23.28	\$7.95
30	\$0.00	\$0.00	\$66.18	\$167.94	\$0.00	\$0.00	\$66.18	\$167.94	\$5.58	\$2.38	\$23.28	\$7.95
35	\$28.04	\$21.55	\$108.03	\$167.94	\$0.00	\$0.00	\$108.03	\$167.94	\$5.58	\$2.38	\$23.28	\$7.95
40	\$28.04	\$21.55	\$133.70	\$167.94	\$0.00	\$0.00	\$133.70	\$167.94	\$5.58	\$2.38	\$23.28	\$7.95
45	\$28.04	\$21.55	\$155.03	\$215.84	\$0.00	\$0.00	\$155.03	\$215.84	\$7.54	\$6.93	\$23.28	\$7.95
50	\$30.95	\$21.55	\$172.10	\$250.04	\$13.35	\$4.30	\$172.10	\$250.04	\$18.37	\$9.25	\$23.28	\$7.95
55	\$52.65	\$21.55	\$188.40	\$290.81	\$13.35	\$4.30	\$188.40	\$290.81	\$36.01	\$16.40	\$23.28	\$7.95
60	\$113.30	\$21.55	\$212.09	\$337.64	\$13.35	\$4.30	\$212.09	\$337.64	\$61.05	\$33.12	\$23.28	\$7.95
65	\$271.50	\$171.12	\$257.39	\$390.09	\$39.73	\$45.96	\$257.39	\$390.09	\$94.04	\$66.33	\$23.28	\$7.95
70	\$692.89	\$714.37	\$322.47	\$577.66	\$110.87	\$139.83	\$322.47	\$577.66	\$242.07	\$244.86	\$43.11	\$66.51
75	\$675.82	\$688.04	\$377.53	\$658.32	\$121.77	\$144.64	\$377.53	\$658.32	\$232.25	\$228.59	\$39.80	\$54.26
80	\$647.85	\$678.61	\$420.44	\$707.91	\$129.83	\$148.30	\$420.44	\$707.91	\$237.59	\$209.16	\$36.14	\$43.92
85	\$605.29	\$663.67	\$451.15	\$705.49	\$133.00	\$149.94	\$451.15	\$705.49	\$222.12	\$185.98	\$32.13	\$35.31
90	\$543.79	\$620.10	\$469.64	\$624.82	\$128.70	\$148.50	\$469.64	\$624.82	\$179.89	\$158.40	\$27.74	\$28.29
95	\$458.19	\$524.08	\$472.21	\$344.33	\$105.07	\$142.65	\$472.21	\$344.33	\$122.97	\$125.74	\$20.65	\$19.89
100	\$297.83	\$298.93	\$472.21	\$344.33	\$105.07	\$133.76	\$472.21	\$344.33	\$56.83	\$65.41	\$20.65	\$19.89
105	\$297.83	\$298.93	\$472.21	\$344.33	\$105.07	\$133.76	\$472.21	\$344.33	\$56.83	\$65.41	\$20.65	\$19.89
110	\$297.83	\$298.93	\$472.21	\$344.33	\$105.07	\$133.76	\$472.21	\$344.33	\$56.83	\$65.41	\$20.65	\$19.89
115	\$297.83	\$298.93	\$472.21	\$344.33	\$105.07	\$133.76	\$472.21	\$344.33	\$56.83	\$65.41	\$20.65	\$19.89

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Direct Care - Pharmacy											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$14.59	\$87.92	\$0.00	\$0.00	\$14.59	\$87.92	\$1.00	\$0.29	\$54.95	\$20.86
25	\$0.00	\$0.00	\$14.59	\$87.92	\$0.00	\$0.00	\$14.59	\$87.92	\$1.00	\$0.29	\$54.95	\$20.86
30	\$0.00	\$0.00	\$14.59	\$87.92	\$0.00	\$0.00	\$14.59	\$87.92	\$1.00	\$0.29	\$54.95	\$20.86
35	\$21.25	\$20.91	\$49.05	\$87.92	\$0.00	\$0.00	\$49.05	\$87.92	\$1.00	\$0.29	\$54.95	\$20.86
40	\$21.25	\$20.91	\$85.87	\$87.92	\$0.00	\$0.00	\$85.87	\$87.92	\$1.00	\$0.29	\$54.95	\$20.86
45	\$21.25	\$20.91	\$131.22	\$186.13	\$0.00	\$0.00	\$131.22	\$186.13	\$12.98	\$7.83	\$54.95	\$20.86
50	\$27.29	\$20.91	\$179.57	\$218.06	\$9.80	\$7.51	\$179.57	\$218.06	\$26.67	\$12.32	\$54.95	\$20.86
55	\$50.02	\$20.91	\$201.01	\$278.68	\$9.80	\$7.51	\$201.01	\$278.68	\$46.97	\$17.77	\$54.95	\$20.86
60	\$106.95	\$20.91	\$206.51	\$296.15	\$9.80	\$7.51	\$206.51	\$296.15	\$75.12	\$31.79	\$54.95	\$20.86
65	\$252.60	\$157.10	\$278.65	\$336.28	\$72.56	\$44.02	\$278.65	\$336.28	\$112.12	\$69.46	\$54.95	\$20.86
70	\$805.89	\$664.67	\$385.73	\$567.82	\$242.70	\$224.37	\$385.73	\$567.82	\$346.86	\$276.27	\$149.56	\$143.96
75	\$849.32	\$713.26	\$384.62	\$554.13	\$337.22	\$298.24	\$384.62	\$554.13	\$331.70	\$270.04	\$130.92	\$128.14
80	\$783.59	\$692.75	\$383.52	\$551.75	\$362.92	\$322.75	\$383.52	\$551.75	\$293.71	\$245.45	\$111.80	\$105.31
85	\$648.74	\$614.60	\$356.71	\$524.93	\$315.20	\$293.27	\$356.71	\$524.93	\$235.58	\$203.13	\$90.23	\$77.32
90	\$478.13	\$488.46	\$291.41	\$440.16	\$217.55	\$217.57	\$291.41	\$440.16	\$163.45	\$146.53	\$64.35	\$47.14
95	\$299.79	\$322.53	\$43.69	\$160.40	\$79.19	\$120.26	\$43.69	\$160.40	\$87.56	\$82.73	\$18.60	\$9.51
100	\$120.18	\$64.40	\$43.69	\$160.40	\$79.19	\$34.91	\$43.69	\$160.40	\$8.73	\$10.85	\$18.60	\$9.51
105	\$120.18	\$64.40	\$43.69	\$160.40	\$79.19	\$34.91	\$43.69	\$160.40	\$8.73	\$10.85	\$18.60	\$9.51
110	\$120.18	\$64.40	\$43.69	\$160.40	\$79.19	\$34.91	\$43.69	\$160.40	\$8.73	\$10.85	\$18.60	\$9.51
115	\$120.18	\$64.40	\$43.69	\$160.40	\$79.19	\$34.91	\$43.69	\$160.40	\$8.73	\$10.85	\$18.60	\$9.51

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Purchased Care - Inpatient											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled				
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$45.88	\$38.09	\$0.00	\$0.00	\$45.88	\$38.09	\$18.08	\$0.86	\$91.29	\$195.57
25	\$0.00	\$0.00	\$45.88	\$38.09	\$0.00	\$0.00	\$45.88	\$38.09	\$18.08	\$0.86	\$91.29	\$195.57
30	\$0.00	\$0.00	\$45.88	\$38.09	\$0.00	\$0.00	\$45.88	\$38.09	\$18.08	\$0.86	\$91.29	\$195.57
35	\$6.32	\$7.51	\$32.61	\$38.09	\$0.00	\$0.00	\$32.61	\$38.09	\$18.08	\$0.86	\$91.29	\$195.57
40	\$6.32	\$7.51	\$36.80	\$38.09	\$0.00	\$0.00	\$36.80	\$38.09	\$18.08	\$0.86	\$91.29	\$195.57
45	\$6.32	\$7.51	\$52.67	\$38.09	\$0.00	\$0.00	\$52.67	\$38.09	\$35.75	\$9.27	\$91.29	\$195.57
50	\$11.15	\$7.51	\$81.98	\$38.09	\$28.88	\$17.21	\$81.98	\$38.09	\$48.50	\$15.04	\$91.29	\$195.57
55	\$24.63	\$7.51	\$126.63	\$101.92	\$28.88	\$17.21	\$126.63	\$101.92	\$68.57	\$24.28	\$91.29	\$195.57
60	\$54.68	\$7.51	\$188.68	\$133.41	\$28.88	\$17.21	\$188.68	\$133.41	\$101.42	\$38.71	\$91.29	\$195.57
65	\$120.62	\$41.55	\$270.33	\$167.90	\$64.04	\$23.77	\$270.33	\$167.90	\$154.98	\$60.63	\$91.29	\$195.57
70	\$435.48	\$237.74	\$455.57	\$395.33	\$301.33	\$216.93	\$455.57	\$395.33	\$361.32	\$202.06	\$308.76	\$201.77
75	\$673.28	\$391.64	\$610.41	\$663.87	\$498.54	\$346.68	\$610.41	\$663.87	\$477.07	\$366.72	\$423.61	\$260.68
80	\$866.45	\$604.76	\$745.90	\$884.07	\$706.07	\$535.16	\$745.90	\$884.07	\$608.58	\$521.95	\$530.90	\$373.57
85	\$1,028.37	\$862.63	\$849.38	\$1,041.12	\$895.48	\$758.26	\$849.38	\$1,041.12	\$745.35	\$650.36	\$613.07	\$517.91
90	\$1,174.67	\$1,133.38	\$893.29	\$1,119.95	\$1,026.27	\$966.86	\$893.29	\$1,119.95	\$822.97	\$731.60	\$647.17	\$623.31
95	\$1,223.91	\$1,456.44	\$893.29	\$1,105.24	\$992.89	\$1,053.17	\$893.29	\$1,105.24	\$769.76	\$742.32	\$496.48	\$516.76
100	\$1,223.91	\$1,456.44	\$893.29	\$923.98	\$992.89	\$1,053.17	\$893.29	\$923.98	\$409.79	\$530.64	\$496.48	\$516.76
105	\$1,223.91	\$1,456.44	\$893.29	\$923.98	\$992.89	\$1,053.17	\$893.29	\$923.98	\$409.79	\$530.64	\$496.48	\$516.76
110	\$1,223.91	\$1,456.44	\$893.29	\$923.98	\$992.89	\$1,053.17	\$893.29	\$923.98	\$409.79	\$530.64	\$496.48	\$516.76
115	\$1,223.91	\$1,456.44	\$893.29	\$923.98	\$992.89	\$1,053.17	\$893.29	\$923.98	\$409.79	\$530.64	\$496.48	\$516.76

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Purchased Care - Outpatient											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$64.94	\$272.96	\$0.00	\$0.00	\$64.94	\$272.96	\$7.80	\$16.29	\$290.19	\$152.53
25	\$0.00	\$0.00	\$64.94	\$272.96	\$0.00	\$0.00	\$64.94	\$272.96	\$7.80	\$16.29	\$290.19	\$152.53
30	\$0.00	\$0.00	\$64.94	\$272.96	\$0.00	\$0.00	\$64.94	\$272.96	\$7.80	\$16.29	\$290.19	\$152.53
35	\$42.14	\$47.79	\$175.88	\$272.96	\$0.00	\$0.00	\$175.88	\$272.96	\$7.80	\$16.29	\$290.19	\$152.53
40	\$42.14	\$47.79	\$259.20	\$272.96	\$0.00	\$0.00	\$259.20	\$272.96	\$7.80	\$16.29	\$290.19	\$152.53
45	\$42.14	\$47.79	\$346.52	\$272.96	\$0.00	\$0.00	\$346.52	\$272.96	\$99.49	\$222.09	\$290.19	\$152.53
50	\$77.23	\$47.79	\$434.05	\$272.96	\$95.60	\$40.48	\$434.05	\$272.96	\$176.25	\$222.09	\$290.19	\$152.53
55	\$136.30	\$47.79	\$517.07	\$568.26	\$95.60	\$40.48	\$517.07	\$568.26	\$256.67	\$222.09	\$290.19	\$152.53
60	\$243.57	\$47.79	\$589.84	\$691.85	\$95.60	\$40.48	\$589.84	\$691.85	\$319.72	\$222.09	\$290.19	\$152.53
65	\$389.35	\$266.40	\$645.45	\$798.79	\$289.40	\$232.46	\$645.45	\$798.79	\$333.38	\$222.09	\$290.19	\$152.53
70	\$1,736.15	\$1,654.50	\$1,423.55	\$1,779.57	\$1,420.20	\$1,415.52	\$1,423.55	\$1,779.57	\$1,123.81	\$1,094.20	\$1,033.05	\$1,076.08
75	\$2,237.44	\$2,261.27	\$1,796.73	\$2,290.41	\$1,858.60	\$1,896.08	\$1,796.73	\$2,290.41	\$1,242.66	\$1,259.45	\$1,104.40	\$1,187.46
80	\$2,391.00	\$2,577.72	\$1,956.43	\$2,583.74	\$2,078.81	\$2,194.63	\$1,956.43	\$2,583.74	\$1,239.26	\$1,284.46	\$1,108.65	\$1,167.21
85	\$2,282.16	\$2,620.17	\$1,908.70	\$2,631.94	\$2,032.18	\$2,280.76	\$1,908.70	\$2,631.94	\$1,157.26	\$1,249.25	\$1,036.61	\$1,100.87
90	\$1,988.77	\$2,428.19	\$1,658.45	\$2,403.82	\$1,696.45	\$2,106.41	\$1,658.45	\$2,403.82	\$1,004.12	\$1,149.80	\$877.98	\$984.22
95	\$1,582.81	\$2,068.00	\$1,334.58	\$1,864.60	\$1,136.75	\$1,722.73	\$1,334.58	\$1,864.60	\$779.77	\$946.62	\$482.59	\$624.62
100	\$918.25	\$1,507.40	\$1,334.58	\$1,360.00	\$1,136.75	\$1,211.78	\$1,334.58	\$1,360.00	\$353.30	\$438.61	\$482.59	\$624.62
105	\$918.25	\$1,507.40	\$1,334.58	\$1,360.00	\$1,136.75	\$1,211.78	\$1,334.58	\$1,360.00	\$353.30	\$438.61	\$482.59	\$624.62
110	\$918.25	\$1,507.40	\$1,334.58	\$1,360.00	\$1,136.75	\$1,211.78	\$1,334.58	\$1,360.00	\$353.30	\$438.61	\$482.59	\$624.62
115	\$918.25	\$1,507.40	\$1,334.58	\$1,360.00	\$1,136.75	\$1,211.78	\$1,334.58	\$1,360.00	\$353.30	\$438.61	\$482.59	\$624.62

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Purchased Care - Pharmacy											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$83.57	\$415.09	\$0.00	\$0.00	\$83.57	\$415.09	\$24.46	\$9.59	\$524.50	\$374.52
25	\$0.00	\$0.00	\$83.57	\$415.09	\$0.00	\$0.00	\$83.57	\$415.09	\$24.46	\$9.59	\$524.50	\$374.52
30	\$0.00	\$0.00	\$83.57	\$415.09	\$0.00	\$0.00	\$83.57	\$415.09	\$24.46	\$9.59	\$524.50	\$374.52
35	\$63.23	\$103.28	\$222.04	\$415.09	\$0.00	\$0.00	\$222.04	\$415.09	\$24.46	\$9.59	\$524.50	\$374.52
40	\$63.23	\$103.28	\$365.37	\$415.09	\$0.00	\$0.00	\$365.37	\$415.09	\$24.46	\$9.59	\$524.50	\$374.52
45	\$63.23	\$103.28	\$543.19	\$415.09	\$0.00	\$0.00	\$543.19	\$415.09	\$185.29	\$96.68	\$524.50	\$374.52
50	\$133.38	\$103.28	\$740.40	\$415.09	\$101.42	\$54.24	\$740.40	\$415.09	\$287.74	\$218.10	\$524.50	\$374.52
55	\$232.07	\$103.28	\$929.17	\$1,257.73	\$101.42	\$54.24	\$929.17	\$1,257.73	\$392.16	\$334.72	\$524.50	\$374.52
60	\$391.43	\$103.28	\$1,066.17	\$1,566.55	\$101.42	\$54.24	\$1,066.17	\$1,566.55	\$488.46	\$402.08	\$524.50	\$374.52
65	\$569.64	\$444.39	\$1,089.65	\$1,701.12	\$514.07	\$335.91	\$1,089.65	\$1,701.12	\$563.70	\$401.33	\$524.50	\$374.52
70	\$2,448.82	\$2,524.10	\$2,125.90	\$3,205.76	\$2,173.93	\$2,393.43	\$2,125.90	\$3,205.76	\$1,671.00	\$1,819.98	\$1,696.76	\$1,974.48
75	\$3,077.12	\$3,316.52	\$2,627.24	\$3,547.80	\$2,717.28	\$3,165.79	\$2,627.24	\$3,547.80	\$1,766.93	\$2,031.63	\$1,748.03	\$1,940.86
80	\$3,163.17	\$3,786.53	\$2,707.70	\$3,712.15	\$2,844.62	\$3,400.08	\$2,707.70	\$3,712.15	\$1,723.10	\$2,067.53	\$1,698.36	\$1,826.03
85	\$2,821.50	\$3,652.88	\$2,388.46	\$3,627.79	\$2,603.54	\$3,201.49	\$2,388.46	\$3,627.79	\$1,548.20	\$1,914.64	\$1,533.47	\$1,627.02
90	\$2,203.09	\$2,971.61	\$1,765.18	\$3,179.97	\$2,093.30	\$2,685.01	\$1,765.18	\$3,179.97	\$1,249.81	\$1,585.04	\$1,237.42	\$1,345.39
95	\$1,498.28	\$2,137.63	\$1,093.43	\$2,153.99	\$1,257.47	\$1,974.79	\$1,093.43	\$2,153.99	\$834.56	\$1,121.83	\$541.16	\$988.09
100	\$783.10	\$1,602.89	\$1,093.43	\$2,153.99	\$1,257.47	\$1,056.76	\$1,093.43	\$2,153.99	\$117.92	\$383.00	\$541.16	\$350.67
105	\$783.10	\$1,602.89	\$1,093.43	\$2,153.99	\$1,257.47	\$1,056.76	\$1,093.43	\$2,153.99	\$117.92	\$383.00	\$541.16	\$350.67
110	\$783.10	\$1,602.89	\$1,093.43	\$2,153.99	\$1,257.47	\$1,056.76	\$1,093.43	\$2,153.99	\$117.92	\$383.00	\$541.16	\$350.67
115	\$783.10	\$1,602.89	\$1,093.43	\$2,153.99	\$1,257.47	\$1,056.76	\$1,093.43	\$2,153.99	\$117.92	\$383.00	\$541.16	\$350.67

Act. Duty = Active Duty  
Nondis. = Nondisabled

FY 2017 CLAIM VECTORS FOR MEDICARE ELIGIBLE RETIREES  
(Quinquennial Ages Only)

Age	Purchased Care - USFHP											
	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Retiree	Survivor	Survivor	Survivor	Survivor
	Act. Duty	Act. Duty	Act. Duty	Act. Duty	Reserve	Reserve	Reserve	Reserve	Act. Duty	Act. Duty	Reserve	Reserve
	Nondis.	Nondis.	Disabled	Disabled	Nondis.	Nondis.	Disabled	Disabled	Enlistee	Officer	Enlistee	Officer
	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>	<u>Enlistee</u>	<u>Officer</u>
20	\$0.00	\$0.00	\$40.25	\$34.88	\$0.00	\$0.00	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
25	\$0.00	\$0.00	\$40.25	\$34.88	\$0.00	\$0.00	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
30	\$0.00	\$0.00	\$40.25	\$34.88	\$0.00	\$0.00	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
35	\$3.10	\$1.81	\$40.25	\$34.88	\$0.00	\$0.00	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
40	\$3.10	\$1.81	\$40.25	\$34.88	\$0.00	\$0.00	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
45	\$3.10	\$1.81	\$40.25	\$34.88	\$0.00	\$0.00	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
50	\$3.10	\$1.81	\$40.25	\$34.88	\$25.43	\$16.33	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
55	\$3.10	\$1.81	\$40.25	\$34.88	\$25.43	\$16.33	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
60	\$20.60	\$1.81	\$40.25	\$34.88	\$25.43	\$16.33	\$40.25	\$34.88	\$14.08	\$14.92	\$22.38	\$20.53
65	\$62.77	\$51.07	\$40.54	\$34.88	\$25.43	\$16.33	\$40.54	\$34.88	\$42.23	\$14.92	\$22.38	\$20.53
70	\$388.16	\$402.85	\$378.98	\$471.16	\$377.43	\$378.84	\$378.98	\$471.16	\$246.80	\$261.95	\$325.81	\$358.30
75	\$507.65	\$521.45	\$550.36	\$471.16	\$492.72	\$508.14	\$550.36	\$471.16	\$299.96	\$305.48	\$325.81	\$358.30
80	\$595.15	\$611.65	\$550.36	\$471.16	\$576.81	\$627.65	\$550.36	\$471.16	\$349.87	\$349.12	\$325.81	\$358.30
85	\$653.80	\$688.52	\$550.36	\$471.16	\$606.59	\$627.65	\$550.36	\$471.16	\$390.80	\$392.82	\$325.81	\$358.30
90	\$632.44	\$652.22	\$550.36	\$471.16	\$606.59	\$627.65	\$550.36	\$471.16	\$413.03	\$410.66	\$325.81	\$358.30
95	\$632.44	\$652.22	\$550.36	\$471.16	\$606.59	\$627.65	\$550.36	\$471.16	\$413.03	\$410.66	\$325.81	\$358.30
100	\$632.44	\$652.22	\$550.36	\$471.16	\$606.59	\$627.65	\$550.36	\$471.16	\$413.03	\$410.66	\$325.81	\$358.30
105	\$632.44	\$652.22	\$550.36	\$471.16	\$606.59	\$627.65	\$550.36	\$471.16	\$413.03	\$410.66	\$325.81	\$358.30
110	\$632.44	\$652.22	\$550.36	\$471.16	\$606.59	\$627.65	\$550.36	\$471.16	\$413.03	\$410.66	\$325.81	\$358.30
115	\$632.44	\$652.22	\$550.36	\$471.16	\$606.59	\$627.65	\$550.36	\$471.16	\$413.03	\$410.66	\$325.81	\$358.30

Act. Duty = Active Duty  
Nondis. = Nondisabled

Note about USFHP CVs: Since the USFHP CVs are applied to all eligible sponsors and survivors and are calibrated to aggregated incurred global rate payments, the values in these CVs are significantly lower than the capitated rates paid on behalf of USFHP members.

## CY 2018 TRICARE FOR LIFE BENEFIT SUMMARY

(For Retired Medicare-eligible Beneficiaries)

	TRICARE For Life	TRICARE For Life (while in an overseas area that doesn't have Medicare)
Type of Plan	TRICARE For Life (TFL) offers Medicare wraparound coverage to TRICARE beneficiaries who are entitled to Medicare Part A due to age, disability or end-stage renal disease and have purchased Medicare Part B. TRICARE pays second to Medicare for services covered by both TRICARE and Medicare.	TRICARE For Life (TFL) is available to TRICARE beneficiaries overseas who are entitled to Medicare Part A due to age, disability or end-stage renal disease and who have Medicare Part B coverage. Because Medicare typically does not provide benefits overseas, TRICARE is the primary source of health benefits. TFL provides the same coverage as TRICARE Select Overseas, with the same cost shares and deductibles.
Eligibility Requirements	TFL is available to TRICARE beneficiaries entitled to Medicare Part A and enrolled in Medicare Part B.	TFL is available to TRICARE beneficiaries entitled to Medicare Part A and enrolled in Medicare Part B.
Providers	Member may receive care from any Medicare provider. For referrals, Medicare rules apply. <b>Note:</b> If coverage is exhausted under Medicare, member may need to obtain authorization from regional contractor for some services.	Coverage under TFL is similar to TRICARE Select Overseas in areas not covered by Medicare. Member may seek care from any qualified host nation provider without a referral.
Filing Claims	Provider will file the claims with Medicare. Medicare will pay its portion and automatically forward the claim electronically to TRICARE for processing.	Member may be required to pay for care up front and file claims with Wisconsin Physicians Service, the TRICARE Overseas claims processor.
Enrollment	There is no enrollment in TFL (and no enrollment fee). However, enrollment in Medicare Part B is required.	There is no enrollment in TFL (and no enrollment fee). However, enrollment in Medicare Part B is required.
Annual Deductible	For services covered by TRICARE and Medicare, no annual deductible applies. For services covered by Medicare, but not TRICARE, the Medicare annual deductible applies. For services covered by TRICARE, but not Medicare, the TRICARE annual deductible applies: <ul style="list-style-type: none"> <li>▪ \$150/Individual</li> <li>▪ \$300/Family</li> </ul>	<ul style="list-style-type: none"> <li>▪ \$150/Individual</li> <li>▪ \$300/Family</li> </ul>
Outpatient Visit	Services covered by TRICARE and Medicare <ul style="list-style-type: none"> <li>▪ Member pays nothing</li> </ul> Services covered by Medicare, but not TRICARE. <ul style="list-style-type: none"> <li>▪ Medicare cost shares apply</li> </ul> Services covered by TRICARE, but not Medicare. <ul style="list-style-type: none"> <li>▪ TRICARE network provider <ul style="list-style-type: none"> <li>➢ 20% of the negotiated rate after the annual deductible is met</li> </ul> </li> <li>▪ Non-network provider:</li> </ul>	Military Treatment Facility <ul style="list-style-type: none"> <li>▪ No charge</li> </ul> Host Nation Provider <ul style="list-style-type: none"> <li>▪ 25% of allowable charges after the annual deductible is met</li> </ul>

CY 2018 TRICARE FOR LIFE BENEFIT SUMMARY

(For Retired Medicare-eligible Beneficiaries)

	TRICARE For Life	TRICARE For Life (while in an overseas area that doesn't have Medicare)
	<ul style="list-style-type: none"> <li>▪ 25% of the allowable charge after the annual deductible is met</li> </ul> <p>Services not covered by TRICARE or Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays the total amount</li> </ul>	
Preventive Services	<p>Services covered by TRICARE and Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays nothing</li> </ul> <p>Services covered by Medicare, but not TRICARE</p> <ul style="list-style-type: none"> <li>▪ Medicare cost shares apply</li> </ul> <p>Services covered by TRICARE, but not Medicare</p> <ul style="list-style-type: none"> <li>▪ TRICARE network provider:                             <ul style="list-style-type: none"> <li>➢ 20% of the negotiated rate after the annual deductible is met</li> </ul> </li> <li>▪ Non-network provider                             <ul style="list-style-type: none"> <li>➢ 25% of the allowable charge after the annual deductible is met</li> </ul> </li> </ul> <p>Services not covered by TRICARE or Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays the total amount</li> </ul> <p>No charge for: colorectal, breast, cervical and prostate cancer screenings, immunizations, and well-child visits for children under age 6.</p>	<p>Military Treatment Facility</p> <ul style="list-style-type: none"> <li>▪ No charge</li> </ul> <p>Host Nation Provider</p> <ul style="list-style-type: none"> <li>▪ 25% of allowable charges after the annual deductible is met</li> </ul> <p>No charge for: colorectal, breast, cervical and prostate cancer screenings, immunizations, and well-child visits for children under age 6.</p>
Inpatient Hospital	<p>Services Covered by TRICARE and Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays nothing (days 1-150)</li> </ul> <p>Services Covered by Medicare, but not TRICARE</p> <ul style="list-style-type: none"> <li>▪ Medicare cost shares apply</li> </ul> <p>Services covered by TRICARE, but not Medicare</p> <ul style="list-style-type: none"> <li>▪ TRICARE network provider (days 151+)                             <ul style="list-style-type: none"> <li>➢ \$250 per day or 25% of allowable institutional charges, whichever is less, plus 20% of separately billed, allowable professional charges</li> </ul> </li> <li>▪ Non-network provider (days 151+)</li> </ul>	<p>Military Treatment Facility</p> <p>Nominal charges may apply (check with local facility for details)</p> <p>Host Nation Provider</p> <ul style="list-style-type: none"> <li>▪ \$901 per day or 25% of billed charges, whichever is less, plus 25% for separately billed services</li> </ul>

CY 2018 TRICARE FOR LIFE BENEFIT SUMMARY

(For Retired Medicare-eligible Beneficiaries)

	TRICARE For Life	TRICARE For Life (while in an overseas area that doesn't have Medicare)
	<ul style="list-style-type: none"> <li>➤ \$901 per day or 25% of billed charges for institutional services, whichever is less, plus 25% of allowable for separately billed professional charges</li> </ul> <p>Services not Covered by TRICARE or Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays the total amount</li> </ul>	
Emergency Services	<p>Services covered by TRICARE and Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays nothing</li> </ul> <p>Services covered by Medicare, but not TRICARE</p> <ul style="list-style-type: none"> <li>▪ Medicare cost shares apply</li> </ul> <p>Services covered by TRICARE, but not Medicare</p> <ul style="list-style-type: none"> <li>▪ TRICARE network provider                             <ul style="list-style-type: none"> <li>➤ 20% of the negotiated rate after the annual deductible is met</li> </ul> </li> <li>▪ Non-network provider                             <ul style="list-style-type: none"> <li>➤ 25% of the allowable charge after the annual deductible is met</li> </ul> </li> </ul> <p>Services not covered by TRICARE or Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays the total amount</li> </ul>	<p>Military Treatment Facility</p> <ul style="list-style-type: none"> <li>▪ No charge</li> <li>▪ If admitted, nominal charges may apply (check with local facility for details)</li> </ul> <p>Host Nation Provider</p> <ul style="list-style-type: none"> <li>▪ 25% of allowable charges after the annual deductible is met</li> </ul>
Outpatient Behavioral Health Care	<p>Services covered by TRICARE and Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays nothing</li> </ul> <p>Services covered by Medicare, but not TRICARE</p> <ul style="list-style-type: none"> <li>▪ Medicare cost shares apply</li> </ul> <p>Services covered by TRICARE, but not Medicare</p> <ul style="list-style-type: none"> <li>▪ TRICARE network provider:                             <ul style="list-style-type: none"> <li>➤ 20% of the negotiated rate after the annual deductible is met</li> </ul> </li> <li>▪ Non-network provider                             <ul style="list-style-type: none"> <li>➤ 25% of the allowable charge after the annual deductible is met</li> </ul> </li> </ul> <p>Services not covered by TRICARE or Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays the total amount</li> </ul>	<p>Military Treatment Facility</p> <ul style="list-style-type: none"> <li>▪ No charge</li> </ul> <p>Host Nation Provider</p> <ul style="list-style-type: none"> <li>▪ 25% of allowable charges after the annual deductible is met</li> </ul>
Inpatient Behavioral Health Care	<p>Services Covered by TRICARE and Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays nothing (1-150 days)</li> </ul> <p>Services Covered by Medicare, but not TRICARE</p> <ul style="list-style-type: none"> <li>▪ Medicare cost shares apply</li> </ul> <p>Services covered by TRICARE, but not Medicare</p>	<p>Military Treatment Facility</p> <ul style="list-style-type: none"> <li>▪ Nominal charges may apply (check with local facility)</li> </ul> <p>Host Nation Provider</p>

## CY 2018 TRICARE FOR LIFE BENEFIT SUMMARY

(For Retired Medicare-eligible Beneficiaries)

	TRICARE For Life	TRICARE For Life (while in an overseas area that doesn't have Medicare)
	<ul style="list-style-type: none"> <li>▪ TRICARE network provider (days 151+) <ul style="list-style-type: none"> <li>➢ 20% of allowable charges, plus, 20% for separately billed, allowable professional services</li> </ul> </li> <li>▪ Non-network provider (days 151+) <ul style="list-style-type: none"> <li>➢ High-volume Hospitals: 25% cost share per day, plus 25% of separately billed professional services</li> <li>➢ Low-volume Hospitals: \$235 per day or 25% of the billed charges, whichever is less, plus 25% of separately billed professional services</li> <li>➢ Residential Treatment Center: 25% of allowable charges, plus 25% of separately billed, allowable professional services</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ High-volume Hospitals: 25% hospital specific per diem</li> <li>▪ Low-volume Hospitals: \$24 per day or 25% of billed charges, whichever is less</li> </ul>
Inpatient Skilled Nursing Care	<p>Services Covered by TRICARE and Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays nothing (1-100 days)</li> </ul> <p>Services Covered by Medicare, but not TRICARE</p> <ul style="list-style-type: none"> <li>▪ Medicare cost shares apply</li> </ul> <p>Services covered by TRICARE, but not Medicare (days 101+)</p> <ul style="list-style-type: none"> <li>▪ TRICARE network provider <ul style="list-style-type: none"> <li>➢ \$250 per day or 20% of allowable institutional charges, whichever is less, plus 20% of separately billed, allowable professional charges</li> </ul> </li> <li>▪ Non-network provider <ul style="list-style-type: none"> <li>➢ 25% of allowed amount for institutional services, plus 25% of allowable amount for separately billed professional charges</li> </ul> </li> </ul> <p>Services not Covered by TRICARE or Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays the total amount</li> </ul>	<p>Military Treatment Facility</p> <ul style="list-style-type: none"> <li>▪ Nominal charges may apply (check with local facility)</li> </ul> <p>Host Nation Provider</p> <ul style="list-style-type: none"> <li>▪ 25% of billed charges, plus 25% for separately billed services</li> </ul>
Hospice Care	<p>Services Covered by TRICARE and Medicare</p> <ul style="list-style-type: none"> <li>▪ Member pays nothing</li> </ul>	Member pays nothing
Annual Out-of-pocket Maximum	\$3,000 per family, per fiscal year	\$3,000 per family, per fiscal year

CY 2018 TRICARE FOR LIFE BENEFIT SUMMARY

(For Retired Medicare-eligible Beneficiaries)

	TRICARE For Life	TRICARE For Life (while in an overseas area that doesn't have Medicare)
Pharmacy	<p>Retail Network Pharmacy (30-day supply)</p> <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$11</li> <li>▪ Tier 2 (formulary brand): \$28</li> <li>▪ Tier 3 (non-formulary): \$53 (generally, no longer available in retail, effective 10/1/2015 )</li> </ul> <p>Mail Order Pharmacy (90 day supply)</p> <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$7</li> <li>▪ Tier 2 (formulary brand): \$24</li> <li>▪ Tier 3 (non-formulary): \$53 (unless medical necessity is proven, then \$24)</li> </ul> <p>Military Treatment Facility (90 day supply)</p> <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$0</li> <li>▪ Tier 2 (formulary brand): \$0</li> <li>▪ Tier 3 (non-formulary): n/a</li> </ul> <p>For certain brand drugs, refills must be obtained either at an MTF or through mail order</p> <p>Non-network Pharmacy (30-day supply)</p> <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$28 or 20% of the total cost, whichever is greater, after annual outpatient deductible is met</li> <li>▪ Tier 2 (formulary brand): \$28 or 20% of the total cost, whichever is greater, after annual outpatient deductible is met</li> <li>▪ Tier 3 (non-formulary): \$53 or 20% of the total cost, whichever is greater, after annual outpatient deductible is met</li> </ul>	<p>Host Nation (30-day supply)</p> <ul style="list-style-type: none"> <li>▪ Member pays 25% after annual outpatient deductible is met</li> </ul> <p>Mail Order Pharmacy (90 day supply)</p> <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$7</li> <li>▪ Tier 2 (formulary brand): \$24</li> <li>▪ Tier 3 (non-formulary): \$53 (unless medical necessity is proven, then \$24)</li> </ul> <p>Military Treatment Facility (90 day supply)</p> <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$0</li> <li>▪ Tier 2 (formulary brand): \$0</li> <li>▪ Tier 3 (non-formulary): n/a</li> </ul>

CY 2018 TRICARE PRIME AND TRICARE SELECT BENEFIT SUMMARIES<sup>12</sup>  
(For Retired, Eligible Beneficiaries Under Age 65, Civilian Network<sup>13</sup>)

	TRICARE PRIME	TRICARE Select
Type of Plan	TRICARE PRIME is a managed care network with a gait-keeper model, plus an out-of-network point-of-service (POS) option. Includes PRIME, PRIME Remote, and USFHP.	TRICARE Select is a fee-for-service Preferred Provider network option (PPO). Self-directed with more generous cost-sharing in-network. Prior authorization needed for certain services.
Eligibility Requirements	In general, retirees, their eligible family members and survivors under age 65 are eligible for TRICARE PRIME if it's offered in their location.  Beginning January 1, 2018, beneficiaries are classified as either Group A or Group B for plan design purposes. Group A includes sponsors (and their dependents) who entered the military before January 1, 2018. Group B includes sponsors (and their dependents) who enter the military on or after January 1, 2018.	Beginning January 1, 2018, beneficiaries are classified as either Group A or Group B for plan design purposes. Group A includes sponsors (and their dependents) who entered the military before January 1, 2018. Group B includes sponsors (and their dependents) who enter the military on or after January 1, 2018. The number of retired beneficiaries in Group B will remain immaterial for several years.
Annual Enrollment Fees	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ \$289.08 Individual,</li> <li>▪ \$578.16 Family</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$350 Individual</li> <li>▪ \$700 Family</li> </ul> <p>Annual enrollment is required to participate. Enrollment fees will increase with COLA used for retiree pay.</p>	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ no fee (there will be a fee in the future, beginning with \$150 individual / \$300 family)</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$450 Individual</li> <li>▪ \$900 Family</li> </ul> <p>Annual enrollment is required to participate. Enrollment fees will increase with COLA used for retiree pay. Fees for exempt populations belonging to Group A will not be subject to the COLA (survivors of death-on-active-duty; medically retired sponsors and their dependents)</p>
Providers	Member must select a PCM, or one is assigned. PCM may be a Military Treatment Facility (MTF) provider or a civilian TRICARE network provider. The PCM <ul style="list-style-type: none"> <li>▪ Provides routine health care</li> <li>▪ Coordinates referrals for specialty care that he or she cannot provide</li> <li>▪ Assists with prior authorizations, when needed</li> <li>▪ Maintains patient health records</li> </ul>	Member does not sign up with a PCM and one is not assigned. Member cost-shares are lower if service is received from in-Network Provider.

<sup>12</sup> Plan summaries are based on changes enacted from the 2017 NDAA and effective in CY 2018. Pharmacy copays in this table are based on changes enacted from the 2018 NDAA and effective February 2018.

<sup>13</sup> Cost-shares in the table are not applicable in the MTFs. Most care received in the MTFs is available without a copay.

CY 2018 TRICARE PRIME AND TRICARE SELECT BENEFIT SUMMARIES<sup>12</sup>  
(For Retired, Eligible Beneficiaries Under Age 65, Civilian Network<sup>13</sup>)

	TRICARE PRIME	TRICARE Select
	Members have the first priority for appointments at MTFs, and when MTF care is not available, member will be referred to a TRICARE network provider. The POS option allows members to seek care from any provider without a referral from a PCM, but at a higher out-of-pocket cost.	
Filing Claims	Provider will file claims (in most cases)	There are no claim forms when member sees in-network providers.
Annual Deductible	No annual deductible unless member uses the POS option (seeing any provider without a referral from the PCM).  POS annual deductible (Groups A and B) <ul style="list-style-type: none"> <li>▪ \$300 Individual</li> <li>▪ \$600 Family</li> </ul>	Deductible must be met before TRICARE cost-sharing (including copays and coinsurance) begins.  Group A <ul style="list-style-type: none"> <li>▪ \$150 Individual</li> <li>▪ \$300 Family</li> </ul> Group B <ul style="list-style-type: none"> <li>▪ \$150 Individual In-network</li> <li>▪ \$300 Family In-network</li> <li>▪ \$300 Individual Out-of-network</li> <li>▪ \$600 Family Out-of-network</li> </ul>
Preventive Care Office Visit	\$0 copay	\$0 copay
Primary Care Office Visit	Group A <ul style="list-style-type: none"> <li>▪ \$20 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul> Group B <ul style="list-style-type: none"> <li>▪ \$20 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul>	Group A <ul style="list-style-type: none"> <li>▪ \$28 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul> Group B <ul style="list-style-type: none"> <li>▪ \$25 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul>
Specialty Care Office Visit	Group A <ul style="list-style-type: none"> <li>▪ \$30 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul> Group B <ul style="list-style-type: none"> <li>▪ \$30 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul>	Group A <ul style="list-style-type: none"> <li>▪ \$41 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul> Group B <ul style="list-style-type: none"> <li>▪ \$40 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul>
Urgent Care Visit	Group A <ul style="list-style-type: none"> <li>▪ \$30 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul> Group B <ul style="list-style-type: none"> <li>▪ \$30 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul>	Group A <ul style="list-style-type: none"> <li>▪ \$28 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul> Group B <ul style="list-style-type: none"> <li>▪ \$40 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul>

CY 2018 TRICARE PRIME AND TRICARE SELECT BENEFIT SUMMARIES<sup>12</sup>  
(For Retired, Eligible Beneficiaries Under Age 65, Civilian Network<sup>13</sup>)

	TRICARE PRIME	TRICARE Select
Emergency Room Visit	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ \$60 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$60 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul>	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ \$109 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$80 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul>
Inpatient Hospital	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ \$150/admission In-network</li> <li>▪ 50% of allowable charge Out-of-network / no referral</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$150/admission In-network</li> <li>▪ 50% of allowable charge Out-of-network / no referral</li> </ul>	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ 25% (max \$250/day); plus 20% separately billed services In-network</li> <li>▪ DRG per diem (max \$250/day); plus 25% separately billed services Out-of-network</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$175/admission In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul>
Ambulatory Surgery	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ \$60 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network / no referral</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$60 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network / no referral</li> </ul>	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ 20% In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$95 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul>
Ambulance	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ \$40 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$40 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul>	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ 98 In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$60 copay In-network</li> <li>▪ 25% of allowable charge Out-of-network</li> </ul>
Inpatient Skilled Nursing Care	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ \$30 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$30 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul>	<p>Group A</p> <ul style="list-style-type: none"> <li>▪ \$40 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul> <p>Group B</p> <ul style="list-style-type: none"> <li>▪ \$40 copay In-network</li> <li>▪ 50% of allowable charge Out-of-network</li> </ul>
Annual Out-of-Pocket Maximum	<p>Group A: \$3,000 per family, per calendar year</p> <p>Group B: \$3,500 per family, per calendar year</p> <p><b>Note:</b> Annual enrollment fee and POS fees do not apply toward meeting the annual out-of-pocket maximum.</p>	<p>Group A: \$3,000 per family, per calendar year</p> <p>Group B: \$3,500 per family, per calendar year</p> <p><b>Note:</b> Annual enrollment fee does not apply toward meeting the annual out-of-pocket maximum.</p>

CY 2018 TRICARE PRIME AND TRICARE SELECT BENEFIT SUMMARIES<sup>12</sup>  
 (For Retired, Eligible Beneficiaries Under Age 65, Civilian Network<sup>13</sup>)

	TRICARE PRIME	TRICARE Select
Pharmacy	Retail Network Pharmacy (30-day supply) <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$11</li> <li>▪ Tier 2 (formulary brand): \$28</li> <li>▪ Tier 3 (non-formulary): \$53 (generally, no longer available in retail)</li> </ul>	Retail Network Pharmacy (30-day supply) <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$11</li> <li>▪ Tier 2 (formulary brand): \$28</li> <li>▪ Tier 3 (non-formulary): \$53 (generally, no longer available in retail)</li> </ul>
	Mail Order Pharmacy (90 day supply) <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$7</li> <li>▪ Tier 2 (formulary brand): \$24</li> <li>▪ Tier 3 (non-formulary): \$53 (unless medical necessity is proven, then \$24)</li> </ul>	Mail Order Pharmacy (90 day supply) <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$7</li> <li>▪ Tier 2 (formulary brand): \$24</li> <li>▪ Tier 3 (non-formulary): \$53 (unless medical necessity is proven, then \$24)</li> </ul>
	Out-of-network Pharmacy (30-day supply) 50% of total cost after POS deductible	Out-of-network Pharmacy (30 day supply) Greater of \$28 or 20% of total cost, after annual deductible is met
	Military Treatment Facility (90 day supply) <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$0</li> <li>▪ Tier 2 (formulary brand): \$0</li> <li>▪ Tier 3 (non-formulary): n/a</li> </ul>	Military Treatment Facility (90 day supply) <ul style="list-style-type: none"> <li>▪ Tier 1 (generic): \$0</li> <li>▪ Tier 2 (formulary brand): \$0</li> <li>▪ Tier 3 (non-formulary): n/a</li> </ul>