Preface

The TRICARE Senior Supplement Demonstration (TSSD) is a congressionally authorized program that offers certain Medicare-eligible military beneficiaries the option of enrolling in TRICARE as a supplement to Medicare. TSSD enrollment began in March 2000, and the program was scheduled to run through December 2002. However, the value of TSSD as a demonstration program was reduced by the passage of the 2001 National Defense Authorization Act, which provides for TRICARE for Life (TFL). TFL is a permanent national supplemental insurance benefit for Medicare-eligible military beneficiaries. TFL has been available as of October 2001 and has among the most comprehensive health insurance benefits in the United States. Because of TFL and other factors, the number of beneficiaries eligible for TSSD who opted to enroll in the program was very low. Within this context, we wrote this book to meet a congressional requirement for a report that evaluates TSSD and makes recommendations about its suitability as a permanent national program. Our evaluation includes consideration of how the Department of Defense’s experience with TSSD would be relevant to the new TFL program. This book should interest defense health policymakers and individuals in health care benefits management in both the private and public health care sectors.

This book underscores the importance of providing clear and comprehensive information to beneficiaries regarding their health insurance benefits and illustrates the challenges of administering supplemental benefits and coordinating claims. In addition, we found that the temporary nature of TSSD, combined with uncertainty about whether enrollees would be able to reinstate private supplemental coverage if they dropped that coverage to join TSSD, is likely to result in reduced enrollment in the program. These factors, in turn, diminish the program’s value as a potential model for providing supplemental health insurance benefits to Medicare-eligible military beneficiaries.

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