

## News Releases

### Waiving TRICARE Deductibles and Cost Shares Is Illegal

June 13, 2005  
No. 05-20

Uniformed Services beneficiaries who use TRICARE Standard and Extra are responsible, under law, to pay annual deductibles and cost-shares associated with their care. The law prohibits health care providers from waiving TRICARE beneficiary deductibles or cost-shares and requires providers to make reasonable efforts to collect these amounts.

Health care providers who offer to waive deductibles and cost-shares or who advertise that they will do so may be investigated for program abuse and suspended or excluded as authorized providers.

According to Rose M. Sabo, Director, TRICARE Program Integrity, TRICARE Management Activity, "TRICARE prohibits any scheme designed to waive a patient's deductible or cost-share.

"One type of scheme comes in the form of a supplemental insurance program which covers copayments or deductibles only for items or services provided by the entity offering the insurance. These programs can be identified when the 'insurance premium' paid by the beneficiary is insignificant and the premiums so low that they are not based upon actuarial risks, but instead are a sham used to disguise the routine waiver of copayments and deductibles. Such a scam can result in excessive utilization of items and services," Sabo said.

When Congress established beneficiary deductibles and cost-shares, their intent was to make the beneficiary a financial partner with the government. The cost-share encourages responsible beneficiary health care decisions when faced with choices, and acts to avoid waste of taxpayer dollars. Beneficiaries who have a financial risk associated with their health care decisions are more likely to choose cost-effective treatment for their medical conditions.

Beneficiaries should contact their local TRICARE Service Center for more information on deductibles and cost-shares. A list of TRICARE Service Centers and telephone numbers is located at <http://www.tricare.osd.mil/tricare-servicecenters/default.cfm>. If beneficiaries suspect provider or insurance fraud, they may report it by e-mailing [fraudline@tma.osd.mil](mailto:fraudline@tma.osd.mil).