



Highlights of [GAO-03-928](#), a report to congressional committees

Why GAO Did This Study

Testifying before Congress in 2002, military beneficiary groups described problems accessing care from TRICARE's civilian medical providers. Providers also testified on their dissatisfaction with the TRICARE program, specifying low reimbursement rates and administrative burdens.

The Bob Stump National Defense Authorization Act of 2003 required GAO to review the oversight of the TRICARE network of civilian providers. Specifically, GAO describes how the Department of Defense (DOD) oversees the adequacy of the civilian provider network, evaluates DOD's oversight of the civilian provider network, and describes the factors that have been reported to contribute to network inadequacy.

GAO analyzed TRICARE Prime—the managed care component of TRICARE. To describe and evaluate DOD's oversight, GAO reviewed and analyzed information from reports on network adequacy and interviewed DOD and contractor officials in 5 of 11 TRICARE regions.

What GAO Recommends

GAO recommends that DOD improve its oversight of the civilian provider network by ensuring sufficient information is reported and by exploring options for evaluating beneficiary complaints and improving provider survey data. DOD concurred with the recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-03-928.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Marjorie Kanof at (202) 512-7101.

DEFENSE HEALTH CARE

Oversight of the TRICARE Civilian Provider Network Should Be Improved

What GAO Found

For the 8.7 million TRICARE beneficiaries, DOD relies on the civilian provider network to supplement health care delivered by its military treatment facilities. To ensure the adequacy of the civilian provider network, DOD has standards for the number and mix of providers, both primary care and specialists, necessary to satisfy TRICARE Prime beneficiaries' needs. In addition, DOD has standards for appointment wait, office wait, and travel times to ensure that TRICARE Prime beneficiaries have timely access to care. DOD has delegated oversight of the civilian provider network to the local level through regional TRICARE lead agents.

DOD's ability to effectively oversee the TRICARE civilian provider network is hindered in several ways. First, the measurement used to determine if there is a sufficient number and mix of providers in a geographic area does not always account for the total number of beneficiaries who may seek care or the availability of providers. This may result in an underestimation of the number of providers needed in an area. Second, incomplete contractor reporting on access to care makes it difficult for DOD to assess compliance with these standards. Finally, DOD does not systematically collect and analyze beneficiary complaints, which might assist in identifying inadequacies in the civilian provider network. However, DOD has tools, such as surveys of network providers and automated reporting systems which, while not designed specifically for monitoring the civilian provider network, could, if modified, improve DOD's ability to oversee the network.

DOD and its contractors have reported that a lack of providers in certain geographic locations, low reimbursement rates, and administrative requirements contribute to potential civilian provider network inadequacy. DOD and contractors have reported long-standing provider shortages in some geographic areas. In areas where DOD determines that access to care is severely impaired, DOD has the authority to increase reimbursement rates. Since 2002, DOD has used its reimbursement authority to increase rates in Alaska and Idaho in an attempt to entice more providers to join the network. DOD officials told us that the contractors have achieved some success in recruiting additional providers by using this authority. Additionally, civilian providers have expressed concerns that TRICARE's reimbursement rates are generally too low and administrative requirements too cumbersome. However, while reimbursement rates and administrative requirements may have created provider dissatisfaction, it is not clear how much this has affected civilian provider network adequacy except in limited geographic locations, because the information contractors provide to DOD is not sufficient to measure network adequacy.