

GAO Highlights

Highlights of [GAO-25-107187](#), a report to congressional committees

Why GAO Did This Study

DOD provides health care benefits, including a pharmacy benefit, to over 9 million beneficiaries through TRICARE. Eligible beneficiaries include active duty service members, retirees, and their dependents. DOD's DHA administers the TRICARE pharmacy program through a contract. In January 2023, pharmacy services started under a new contract. Some stakeholders expressed concern that changes to the program could affect beneficiaries' access to prescription drugs.

The Senate report accompanying the National Defense Authorization Act for Fiscal Year 2024 includes a provision for GAO to review significant changes to the TRICARE pharmacy program. This report describes key changes DHA made to the program that could affect beneficiaries' timely access to prescription drugs between January 1, 2021, and June 30, 2024. It also describes how key changes affected beneficiaries' access and examines how DHA monitors beneficiary access to prescription drugs.

GAO reviewed TRICARE pharmacy contracts, DHA documents, and analyzed contractor data. GAO also interviewed DHA officials, contractor representatives, and beneficiary and pharmacy stakeholder groups.

What GAO Recommends

GAO is making two recommendations to DHA to improve its monitoring of the pharmacy contractor, including auditing contractor-reported data for accuracy. DOD partially concurred with one recommendation and concurred with the other. GAO continues to believe the recommendations are warranted, as discussed in this report.

View [GAO-25-107187](#). For more information, contact Sharon Silas at (202) 512-7114 or SilasS@gao.gov.

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DEFENSE HEALTH CARE

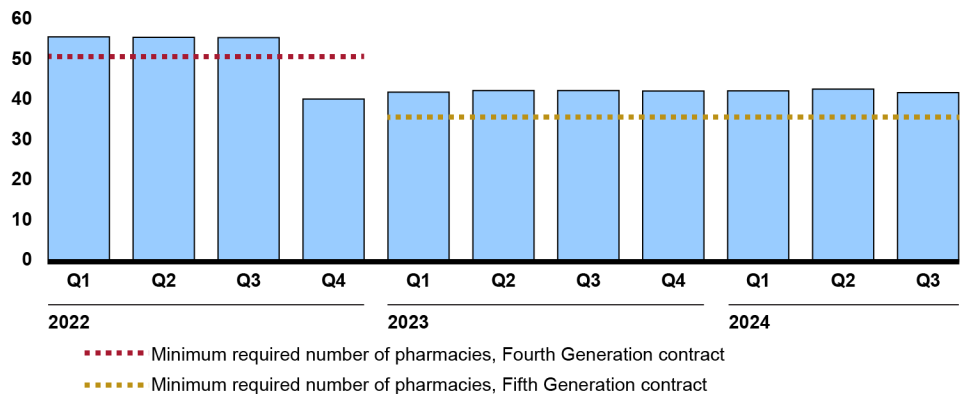
DOD Should Improve Monitoring of TRICARE Beneficiaries' Access to Prescription Drugs

What GAO Found

The Department of Defense's (DOD) TRICARE pharmacy program allows beneficiaries to obtain prescription drugs from DOD-operated military pharmacies, retail pharmacies, and via mail order.

DOD's Defense Health Agency (DHA) made certain key changes to the program between January 1, 2021, and June 30, 2024, that could affect beneficiaries' timely access to prescription drugs. One of these key changes was lowering the required minimum number of pharmacies in the retail network from 50,000 to 35,000, resulting in a drop in the number of retail pharmacies accepting TRICARE. DHA officials told GAO that a smaller network could result in government savings. Contractor data indicate that in the third quarter of 2024, there were an average of 42,550 pharmacies in the network, 13,165 fewer than in the third quarter of 2022, the quarter before the TRICARE contractor implemented the retail network change.

Average Number of TRICARE Retail Network Pharmacies by Quarter, Jan. 2022 to Sept. 2024
Number of retail pharmacies (in thousands)



Source: GAO analysis of Defense Health Agency contractor data. | GAO-25-107187

Note: In the fourth quarter of 2022, the Defense Health Agency waived retail network size requirements while the TRICARE contractor implemented a network change.

As of the second quarter of 2024, contractor data indicate that 98 percent of beneficiaries were within a 15-minute drive of a network pharmacy, which met a DHA requirement for beneficiary proximity to retail pharmacies. However, GAO's analysis of contractor data indicate that the decrease in the number of retail pharmacies likely affected some beneficiaries. For example, about 380,000 beneficiaries, about 4 percent, may have had to find a new pharmacy when a pharmacy they previously used left the network. DHA officials told GAO they viewed this as a reduction in choice of preferred pharmacy, not a loss of access.

DHA officials told GAO they primarily monitor beneficiary access by reviewing contractor-provided monthly reports. Although DHA's oversight plans for the pharmacy contract call for the agency to audit the accuracy of data included in these reports, DHA officials said they had not done so. GAO found inaccuracies in some reports, including reports on use of specialty drugs. Periodically auditing contractor data will provide DHA with the information it needs to better ensure TRICARE beneficiaries' continued access to prescription drugs.