



**OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
HEALTH AFFAIRS**

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TRICARE
MANAGEMENT
ACTIVITY

June 21, 2012

MEMORANDUM FOR: ACQUISITION MANAGEMENT & SUPPORT STAFF

SUBJECT: Rescission of TRICARE Acquisition Practice 16-01, "Award Fee Process for Managed Care Support (MCS) Contracts," dated June 23, 2006.

Effective immediately, the subject TRICARE Acquisition Practice (TAP), dated June 23, 2006, is hereby rescinded.

TRICARE Management Activity (TMA) contracting offices utilizing Award Fee contracts will manage the award fee process in accordance with Federal Acquisition Regulation Subpart 16.4, Defense Federal Acquisition Regulation Supplement Subpart 216.4, and applicable Department of Defense guidance.

The rescission of TAP 16-01 will not impact administration of existing Award Fee contracts. TMA contracting offices will continue to administer Award Fee contracts as specified in existing Award Fee Plans.

Additional guidance on the use and administration of incentive contracts is under consideration. If you have any questions, please contact Mr. Jeff Whittall at (303) 676-3507 or by email at Jeffrey.Whittall@tma.osd.mil.

Michael W. O'Bar

Michael W. O'Bar
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Support