OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

APR 08 2010

HEALTH AFFAIRS

The Honorable Carl Levin
Chairman, Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

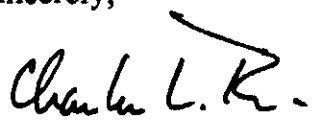
The enclosed interim report responds to Section 714 of the National Defense Authorization Act for Fiscal Year 2009, and provides an update on the status of the Department of Defense's demonstration program on the provision of an annual preventive health services allowance to increase the use of preventive health services by members of the Armed Forces and their family members. This program provides an annual allowance of $500 to single Active Duty members and an allowance of $1,000 to Active Duty members with families who are selected to participate.

The demonstration program seeks to increase the use of the following select preventive health services, taking into consideration the age and gender of members and members' dependents: (a) colorectal screening; (b) breast screening; (c) cervical screening; (d) prostate screening; (e) annual physical exam; (f) annual dental exam; (g) weight and body mass screening; and (h) vaccinations. The program is expected to be implemented no later than the spring of 2010 and will conclude on December 31, 2012.

During the two-year duration of this project, data will be collected that will allow the TRICARE Management Activity to evaluate the effectiveness of the program. Following completion of the demonstration, the Department will review the final outcomes of the project and submit recommendations to Congress regarding the future utility of the program.

Thank you for your continued support of the Military Health System.

Sincerely,



Charles L. Rice, M.D.
President, Uniformed Services University of the Health Sciences
Performing the Duties of the Assistant Secretary of Defense (Health Affairs)

Enclosure:
As stated

cc:
The Honorable John McCain
Ranking Member

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

APR 08 2010

The Honorable James H. Webb
Chairman, Subcommittee on Personnel
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

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cc:
The Honorable Lindsey O. Graham
Ranking Member

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

APR 08 2010

The Honorable Ike Skelton
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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As stated

cc:
The Honorable Howard P. "Buck" McKeon
Ranking Member

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

APR 08 2010

HEALTH AFFAIRS

The Honorable Susan Davis
Chairwoman, Subcommittee on Military Personnel
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Madam Chairwoman:

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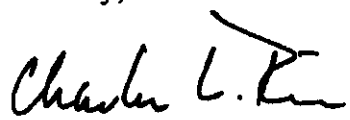

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cc:
The Honorable Joe Wilson
Ranking Member

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

APR 08 2010

The Honorable Daniel K. Inouye
Chairman, Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

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Charles L. Rice, M.D.
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Enclosure:
As stated

cc:
The Honorable Thad Cochran
Ranking Member

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

APR 08 2010

The Honorable Daniel K. Inouye
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

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cc:
The Honorable Thad Cochran
Ranking Member

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

APR 08 2010

HEALTH AFFAIRS

The Honorable David R. Obey
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

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Enclosure:
As stated

cc:
The Honorable Jerry Lewis
Ranking Member

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

APR 08 2010

The Honorable Norm Dicks
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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Enclosure:
As stated

cc:
The Honorable C. W. Bill Young
Ranking Member

DEPARTMENT OF DEFENSE

PREVENTIVE HEALTH ALLOWANCE DEMONSTRATION PROJECT

An interim report to Congress on the status of a demonstration project for active duty personnel and their family members under TRICARE Prime

TRICARE Preventive Health Allowance Demonstration Project

Section 714 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 requires the Department of Defense to implement a demonstration project designed to evaluate the efficacy of providing an annual preventive health allowance to increase the use of preventive health services by members of the Armed Forces who are serving on active duty for a period of more than 30 days and meet the medical and dental readiness requirements for their respective armed force and their family members.

Authorized preventive health services shall at least include, taking into consideration the age and gender of the member and dependents of the member:

- Colorectal screening
- Breast screening
- Cervical screening
- Prostate screening
- Annual physical exam
- Annual dental exam
- Vaccinations

Section 714 further requires the Secretary of the Army, Navy, and Air Force to pay a preventive health allowance to not more than 1,500 members each for the Army, Navy, Air Force, and Marine Corps in an amount equal to $500.00 per year for personnel without family members and $1,000 per year for personnel with family members.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

TRICARE PROGRAM IMPLEMENTATION
Programmatic Structure
Key Elements
1. *Beneficiary Enrollment and Tracking*
2. *Involvement and Support of Service Secretaries*
3. *Under Secretary of Defense, Personnel and Readiness*
4. *Approval from Internal Review Board for Research*

EXECUTIVE SUMMARY

Studies have been performed within health care organizations to assess the value of waiving co-pays for clinical preventive services as well as to assess the impact of providing financial incentives to effect healthy behavioral changes. No studies to date have assessed the impact of financial incentives on increasing compliance with recommended and, in some instances, mandated clinical preventive services in an active duty military population. This demonstration project will be the first such effort among active duty military personnel and their family members. The results of this demonstration will have a direct impact on the future utility of this type of intervention.

INTRODUCTION

In 1984, the Department of Health and Human Services' Assistant Secretary for Health convened the United States Preventive Services Task Force (USPSTF) for the purpose of reviewing scientific data for clinical preventive services and establishing evidence-based recommendations for clinical preventive services that should be provided in the primary care setting. Since that time, the USPSTF has made and maintained more than 65 separate recommendations covering services that are intended to improve health outcomes from heart disease, cancer, infectious diseases, and other conditions and events that impact the health of children, adolescents, adults, and pregnant women.

The USPSTF found supportive evidence that preventive health services improve important health outcomes and concluded that the benefits substantially outweigh harms. By the mid-90s, the Department of Defense had fully adopted the philosophy of *putting prevention into practice,* initiating the development of various wellness programs to increase the appropriate use of clinical preventive services such as vaccinations (otherwise referred to as immunizations under the TRICARE program), screening and counseling within the military community. These prevention programs have significantly supported the Military Health System (MHS) as it strives to maintain a fit and ready fighting force.

This report provides the status of the TRICARE Preventive Health Allowance Demonstration Project. The information contained in this report describes the overall programmatic methodology and requirements preceding execution of the demonstration.

TRICARE PROGRAM IMPLEMENTATION

Programmatic Structure

TRICARE Management Activity (TMA) has developed a Preventive Health Allowance Demonstration project that has the support and commitment of the Service Secretaries and has the goal of producing meaningful outcomes for determining the future utility of this health care strategy. The project fully meets the requirements as prescribed in the Fiscal Year 2009 National Defense Authorization Act, Section 714. In addition, it has been designed with scientific rigor, and has been approved by an Institutional Review Board for human subjects to ensure that any research is conducted in an ethical manner that protects the rights and welfare of individuals who are participants in the research.

Key Elements

1. *Involvement and Support of Military Department Secretaries*

Section 714 requires that not more than 1,500 members of each of the Army, Navy, Air Force, and Marine Corps be enrolled in the study and provided the opportunity to earn the preventive health allowance. Each Secretary furnished the Assistant Secretary of Defense (Health Affairs) with: (1) a list of members selected to participate in this demonstration project who met all Service medical and dental readiness requirements and who had been serving on active duty for a period of more than 30 days; and (2) a commitment to obligate and expend the appropriate funds to meet the fiscal requirements of this project.

The participation lists were received from the Services and are being maintained by the TRICARE Management Activity, Healthcare Operations Division, in accordance with TMA Privacy Act regulations. Each Service has committed to pay participants in the demonstration who are fully compliant with the requirements at a rate of $500 a year for members without dependents and $1,000 a year for a member with dependents.

2. *Beneficiary Enrollment and Tracking*

As required by Section 714, TMA developed a plan and methodology to determine the efficacy of providing an allowance to encourage enrolled members to increase their use of preventive health services and to obtain the necessary data to effectively evaluate this demonstration. Key to the success of this demonstration, however, is the enrollment of participants and the collection of their clinical preventive services data over time. As noted above, each of the Services selected a group of 1,500 eligible beneficiaries to invite for participation in the project; as prescribed in Section 714, 750 members were single active duty, and 750 members had families. To

effectively coordinate communication with the participants, track protected health information, ensure incentive awards are appropriately managed, and fully analyze all of the data, an administrative services contract was awarded to support the program office with these administrative functions.

Participant compliance with the requirements of this demonstration will be measured using national standards for clinical preventive services as recommended by the United States Preventive Services Task Force (USPSTF) and by review of other pertinent clinical and prevention strategies related to readiness requirements for active duty service members.

Program Evaluation

Section 714 requires the Secretary of Defense to submit to Congress a report on the status of the demonstration project no later than March 31, 2010. Currently, there are no data findings or recommendations to report. However, TRICARE has selected the participants for entry into this demonstration and will submit a final report to Congress, no later than March 31, 2012, including findings regarding the medical status of participants, recommendations to modify the policies and procedures of the program, and recommendations concerning the future utility of the project.