



AMERICAN ACADEMY OF
FAMILY PHYSICIANS
STRONG MEDICINE FOR AMERICA

September 11, 2008

Major General Elder Granger
TRICARE Management Activity
5111 Leesburg Pike
Skyline #6 – Suite 500
Falls Church, VA 22041-3206

Dear Elder:

AAFP appreciates the opportunity to meet with you and your team at TMA on September 4. As you know, the meeting was precipitated by an exchange of letters which took place over four years and concerned topics such as access to care, referral networks, code edits and reimbursement rates.

In response to TRICARE's 2004 request which indicated beneficiaries had described difficulty finding physicians who accept TRICARE patients, AAFP ultimately developed and distributed an article to its members describing the several advantages to accepting TRICARE patients including the opportunity to "treat America's heroes - the people making sacrifices to keep our country strong and safe."

At our meeting September 4, we were delighted to be informed that TRICARE is no longer experiencing access problems and that your organization is essentially unaware of any problems with family physicians at all.

Consequently, in the spirit of good communication and toward establishing an open and constructive dialogue we were grateful for the opportunity to pass along anecdotal information from AAFP members which suggests a reluctance to participate in TRICARE. These included administrative hassles and poor reimbursement.

Thank you for providing a thorough description of TRICARE policies, procedures and operations including the reimbursement benchmarked to Medicare (as a maximum). We also appreciate your listening to the reports from our members that suggest that in reality reimbursement from TRICARE can be from 65-85 % of Medicare rates and approaches Medicaid rates in many areas.

I believe the time spent discussing the Patient Centered Medical Home (PCMH) was both timely and productive. We are delighted to learn of your familiarity with, and to a degree, your support for the concept. Moreover, the fact that TRICARE will explore the possibility of testing the PCMH concept internally in your military treatment facilities (MTFs) represents a genuine opportunity for collaboration between our two organizations. As you know, AAFP possesses and is willing to share a number of resources that could prove useful in such an analysis. Please let us know how we can be of assistance to you in your internal study.

Beyond that internal analysis, AAFP would strongly encourage TRICARE to demonstrate leadership in exploring the use of the PCMH with its network providers.

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I am gratified that we had the opportunity to meet and for your acknowledgement that our reason for the discussion was not based on reimbursement rates. That said, we were also pleased that you agreed to investigate one specific code edit that involves bundling dipstick urinalysis into the E/M office visit code and not paying for the lab study separately. While we are aware that this is a "ClaimCheck" software edit, we also pointed out that such an edit is inconsistent with Medicare reimbursement policy. The software does allow payers to overrule or cancel such edits and AAFP would urge TRICARE to do so.

In summary, Elder, the opportunity to meet face-to-face with you and your team was valuable. I hope we can build on this established dialogue in pursuit of issues of mutual interest, especially the Patient-Centered Medical Home.

Thanks again for the opportunity to meet and thank you for your service to our country and America's soldiers and families. With best regards, I remain,

Sincerely,

A handwritten signature in cursive script that reads "Ted Epperly, MD". The signature is written in black ink and is positioned above the typed name.

Ted Epperly, MD, FAAFP
AAFP President-elect

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