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SJR-23 Health care coverage for active military, veterans, and their families. (2017-2018)





Senate Joint Resolution No. 23

CHAPTER 103

Relative to military and veterans.

[Filed with Secretary of State June 22, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

SJR 23, Newman. Health care coverage for active military, veterans, and their families.

This measure would urge a resolution of noncooperation between TRICARE and the federal Centers for Medicare and Medicaid Services to immediately restore mutual data sharing regarding active military members, veterans, and their families who are eligible for both TRICARE and Medicaid health coverage and to waive a restriction for the payment of claims that have been impacted by the inability of TRICARE and Medicaid to share data.

Fiscal Committee: no

WHEREAS, The federal Centers for Medicare and Medicaid Services (CMS), a part of the United States Department of Health and Human Services (HHS), works with the states to fund and implement the Medicaid program, which provides health coverage to millions of Americans, including eligible low-income adults, children, pregnant women, elderly adults, and people with disabilities; and

WHEREAS, TRICARE, which is managed by the United States Department of Defense Military Health System, provides civilian health benefits for active duty and reserve military members of the United States Armed Forces, military retirees, and their dependents, and which relies on the Defense Enrollment Eligibility Reporting System (DEERS) computerized database that contains TRICARE eligibility data for these individuals; and

WHEREAS, Approximately 1.75 million military veterans, their families, and active duty family members (nearly 1 in 10) have TRICARE and Medicaid coverage, including family members of active duty members who qualify under Medicaid income limits, veterans and their families who qualify under Medicaid income limits, disabled veterans and their families, and active duty family members that qualify for Medicaid due to disability; and

WHEREAS, For individuals who have both TRICARE and Medicaid coverage, TRICARE must pay as primary coverage; and

WHEREAS, Historically, identifying individuals with both TRICARE and Medicaid coverage has been a challenging, yet necessary, process, as acknowledged and documented in an HHS Inspector General report, "Medicaid Third Party Liability (TPL) Savings Have Increased, But Challenges Remain"; and

WHEREAS, Prior to 2017, TRICARE had matched their DEERS eligibility files and provided information back to the states about the individuals who had both TRICARE and Medicaid coverage; and

WHEREAS, The agreement to cross-match between CMS and TRICARE has expired and the parties have been unable to reestablish terms to coordinate benefits between the two programs; and

WHEREAS, In early 2017, TRICARE ceased its support in the data-match process in which states provide Medicaid enrollee eligibility information to TRICARE in order to identify those members who have both TRICARE and Medicaid; and

WHEREAS, The expiration of the agreement has the effect of preventing the recovery of millions of payments annually where Medicaid erroneously paid, because TRICARE should have paid as primary coverage, resulting in a shift of additional costs from the federal government to the states; and

WHEREAS, TRICARE's timely filing limitation precludes Medicaid from billing a claim that should be TRICARE's responsibility if the service was rendered more than one year prior, resulting in additional annual costs shifting to California and other states; and

WHEREAS, TRICARE refuses to share data with, and process eligibility information from, Medicaid managed care organizations that provide care to more than 60 percent of all Medicaid members nationally. It is estimated that millions of dollars annually paid in claims should have been TRICARE's responsibility, not Medicaid managed care organizations, resulting in even more cost shifting to the states and leading to improper Medicaid capitation payments; and

WHEREAS, Approximately 8.6 percent of TRICARE beneficiaries, or approximately 804,724 uniformed service members and their families, are located in California, and thus it is estimated that California could be paying millions of dollars it is not responsible for if this issue of data sharing between TRICARE and CMS is not resolved; now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature of the State of California urges the United States Department of Defense and the United States Department of Health and Human Services to implement and the United States Congress to require, if necessary, a resolution between the federal Centers for Medicare and Medicaid Services and TRICARE to immediately restore data sharing and to waive the one-year timely filing restriction for all claims caught in this stoppage; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the United States Senate, and to each Senator and Representative from California in the Congress of the United States.