



Date: June 15, 2017

To: SPTA and Division Federal Advocacy Coordinators, and APAGS Coordinators

From: Doug Walter, J.D., Associate Executive Director for Government Relations,
American Psychological Association Practice Organization

Cc: Katherine Nordal, Ph.D., Executive Director for Professional Practice
SPTA Directors of Professional Affairs
SPTA Executive Directors
CAPP
APAPO Board of Directors

Re: TRICARE Reimbursement Cuts: Information and Request for Feedback

After hearing from members who see TRICARE patients, APA Practice Organization staff spoke with Defense Health Agency (DHA) psychologists and sent the following [letter on June 12th](#) to the DHA Director regarding proposed reimbursement rate cuts by Humana and Health Net Federal Services (HNFS), the new contracted TRICARE mental health insurance carriers. APAPO has serious concerns about the impact these cuts will have on psychologists providing these services, network adequacy and access to mental health care for highly-stressed military families. Here is a brief update about our advocacy, and we invite you to let us know about any TRICARE or TRICARE contractor issues you are experiencing, by emailing our Director of Military and Veterans Health Policy, Dr. Heather Kelly, at hkelly@apa.org.

Of course, every provider makes his or her own independent decision on whether to participate in a network, but as you know, for some providers, providing services at lower rates is not financially feasible and our data and experience demonstrate that contract actions often result in significant disruptions to patient care, limited networks and limited access for patients. We would like to hear from TRICARE providers about your recent experiences. For example, feedback we have received from psychologists attempting to independently negotiate with TRICARE contractors includes reports about:

- South and North TRICARE region psychologists receiving new contracts from Humana that included a 30% reduction from CHAMPUS rates currently in effect. The new contracts do not go into effect until October 1st or in some cases January 1st, but many psychologists were given only two weeks to consider whether to participate under the new contracts.
- South region psychologists being either outright rebuffed or told to wait until contractors can assess adequacy of the network at a later time. Others received emails indicating that the rate cut was “a mistake” and would not be implemented.
- Psychologists in the West region being offered similar contracts from HNFS.
- Psychologists in the North region being notified that Humana has abandoned the rate cut for the time being, with automatic transfer of providers from HNFS to Humana without any action needed.

In our letter to Vice Admiral Bono, APAPO asked that DHA assess whether Humana and HNFS are complying with network adequacy obligations, and urged DHA to consider more accurate markers of

adequacy, including the number of psychologists a beneficiary has to call before getting an appointment, how long it takes to get an appointment, and how far the beneficiary has to travel for treatment. We asked that TRICARE order vendors to be clear in communications with providers regarding the status and changes under the agreements and review the contract selection process to ensure that criteria in addition to cost savings are considered when selecting vendors to manage the mental health benefit. APAPO got an immediate response back from DHA Director Bono that she has tasked her staff with investigating these issues, and we will provide updates as we hear more from DHA. In the meantime, please feel free to share your provider experiences with Dr. Kelly and we will keep you updated regarding our APAPO advocacy.

For more information, contact APA Practice Organization Government Relations Office at Pracgovt@apa.org or (202) 336-5889. Visit APA Practice Organization on-line at APAPracticeCentral.org/Advocacy.

apapracticecentral.org