

The Benefactor

Your Magellan Federal Benefits Newsletter



New Legislation

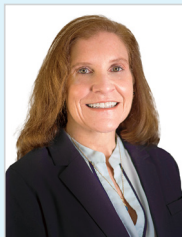
The Fiscal Year 2023 National Defense Authorization Act (NDAA), a United States federal law that is enacted each year to specify the budget and expenditures of the United States Department of Defense, was signed by President Joe Biden. See below for a list of FY23 NDAA highlights.

Improving the Lives of Service Members and Their Families.

- ▶ Supports an increase in military basic pay by 4.6% for service members.
- ▶ Increases service member housing allowance by 2% and requires a report on a more transparent, fair, and flexible way to calculate the basic allowance for housing.
- ▶ Increases the threshold to be eligible for the Basic Needs Allowance (BNA), which will now be up to 150% of the federal poverty line.
- ▶ Increases funds for the Commissaries to help offset higher prices.
- ▶ Builds on historic reforms in the FY22 NDAA to the Uniform Code of Military Justice, including placing sexual harassment and other offenses under the jurisdiction of the Special Trial Counsel and requiring independent trained investigators outside of the immediate chain of command to investigate claims of sexual harassment.
- ▶ Survivor Benefit Plan Open Season
- ▶ The SBP Open Season began on December 23, 2022 and ends on January 1, 2024.

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Anna Sever,
President
Magellan Federal

A Message From Magellan Federal's President & CEO

"As a military spouse, I am humbled by the importance of our company's mission. The work we do to support warriors, veterans, civil servants, and family members helps them lead healthier lives and has a direct impact on our Nation's military readiness. We work diligently to assist our country's active duty service members, Veterans, Retirees and their families.

We also provide surviving spouses access to a team of qualified Military Benefit Specialists and Veteran Service Officers who aid members in obtaining those benefits they sacrificed so much to earn. Thank you for your continuing membership and the opportunity to serve you when it is most needed. "

— Anna Sever, President & CEO, Magellan Federal



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8.7 % Cost of Living (COLA) increase. The increase will be paid out to individuals in the following categories:

- ▶ Defense Finance and Accounting Service (DFAS) Military Retired Pay
- ▶ Defense Finance and Accounting Service (DFAS) Survivor Benefit Plan Annuitants
- ▶ Social Security
- ▶ Dept of Veterans Affairs, disability compensation, pension and survivor benefits
- ▶ Federal civilian retirees



TRICARE GROUPS 2023

- ▶ TRICARE Prime Group A: Enrollment fees increase in 2023 to \$351.96 per individual, and \$703.92 per family. Up from \$323 per individual and \$647 per family.
- ▶ TRICARE Prime Group B: In 2023 the individual enrollment fee is \$426 up from \$392 in 2022 and the enrollment fee for families is \$852 for 2023 up from \$784 in 2022.
- ▶ TRICARE Select Group A: \$171.96 per individual in 2023, up from \$158; and \$345 per family, up from \$317.
- ▶ TRICARE Select Group B: \$547.92 for individuals in 2023 (up from the previous year's
- ▶ \$504 per individual), and \$1,095.96 for families (up from \$1,008 per family).

TRICARE Select for active-duty family members in Group A, grades E-4 and below, features no change in 2023 from the previous year. These beneficiaries pay \$50 per individual and \$100 per family. Active-duty Group A, grades E-5 and above, pay \$150 per individual and \$300 per family, the same as in 2022.

Group B members pay \$60 per individual, up from \$56 in 2022, and \$121 per family, up from the 2022 fee of \$112. Group B members E-5 and above pay \$182 per individual, up from \$168, and \$365 per family, up from \$336.

Working-age retirees in Group A pay \$150 per individual and \$300 per family (no change).

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The SBP-DIC Offset Phased Elimination:

The SBP-DIC Offset is fully eliminated, effective January 1, 2023. On **February 1, 2023**, surviving spouses will receive their **full** Survivor Benefit Plan (SBP) payment from DFAS and their **full** Dependency and Indemnity Compensation (DIC) payment from the VA. The Special Survivors Indemnity Allowance (**SSIA**) will **no longer be paid after the January 3, 2023 payment**, because SSIA is only paid to spouses who have their SBP payment offset by DIC.

As a reminder, the SBP-DIC Offset Phased Elimination only affects SBP payments issued by DFAS. The changes do NOT affect Dependency and Indemnity Compensation (DIC) payments from the VA. Eligible surviving spouses will continue to receive the full amount of DIC from the VA.

To help spouses who are entitled to both SBP and DIC in 2023 understand the effect of this change, DFAS mailed letters to Survivors in early December with individual estimates of 2023 SBP payments.



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Out-of-Pocket Costs

Out-of-pocket copays with TRICARE Select may be higher in 2023 depending on the type of care needed. There are no costs for covered preventive care visits.

Primary care outpatient visit costs within the TRICARE Select network will increase for active duty families by one dollar only for those in Group A with a \$2 cost increase for Group B. Working-age retirees may see a \$2 cost increase.

TRICARE Prime urgent care center visits for working-age retirees will see a copay increase by \$3.

TRICARE Catastrophic Cap

What's a catastrophic cap? This is the largest dollar amount TRICARE beneficiaries must pay out of pocket (over a single year) before TRICARE begins to pay.

The catastrophic cap for active-duty family members and working-age retirees may, depending on the nature of their coverage, go up by approximately 8.7%.

TRICARE Premium-based plans

2023 sees higher costs for TRICARE premium-based plans:

- ▶ **TRICARE Young Adult Prime** sees an increase of 11% in the new year, going up to \$570 each month in 2023.
- ▶ **TRICARE Young Adult Select** will see a 10% increase in 2023, going up to \$291 a month.
- ▶ **Tricare Reserve Select** sees a 2023 increase of 4% to \$48 a month for individuals and up to \$240 for families.
- ▶ **Tricare Retired Reserve** gets a 9% increase for a total of \$549 a month for individuals and up to \$1,321 for families.

How Tricare for Life works:

You may visit any authorized provider

- ▶ Your provider files your claims with Medicare.
- ▶ Medicare pays its portion and sends the claim to the Tricare For Life claims processor.
- ▶ Tricare For Life then pays the provider directly for Tricare-covered services.

You can get care at military hospitals and clinics, but only on a space-available basis.

Tricare for Life fees:

You don't pay any enrollment fees, but you must pay Medicare Part B monthly premiums. Your Part B premium is based on your income

- ▶ Services covered by both Medicare and Tricare you'll pay nothing out of pocket.
- ▶ Medical procedures covered by Medicare only (e.g. chiropractic services) you will be responsible for Medicare deductibles and cost shares
- ▶ Medical procedures covered by Tricare only you are responsible for any TFL deductibles and cost shares
- ▶ Medical procedures not covered by Tricare or Medicare (e.g. cosmetic surgery) you are responsible for the entire amount.

Get more information on your TRICARE costs and options in 2023 at the [TRICARE official site](#).

Tricare Pharmacy:

Starting Oct. 24, about 15,000 independent pharmacies will no longer be in the [TRICARE retail pharmacy network](#). Even with the departure of these community pharmacies, the network will still offer access to more than 40,000 pharmacies

If you fill a prescription at one of these pharmacies on or after Oct. 24, 2022, you'll pay the full cost of the drug. If you choose to pay the retail non-network pharmacy copayment, you may file a claim for reimbursement.

Do you use [specialty prescription drugs](#)? Starting Jan. 1, 2023, Accredo will be the primary TRICARE in-network specialty pharmacy. If you get specialty drugs at one of the affected pharmacies, you can switch to Accredo now. You don't have to wait until January. For more on using Accredo to fill your specialty prescription drugs, call 1-877-882-3324. You can also go to the [Accredo website](#).

Have questions about network changes or other aspects of your TRICARE pharmacy benefit? You can learn more by checking out the [Pharmacy](#) section of the TRICARE website or by contacting [Express Scripts](#).





The appearance of U.S. Department of Defense (DoD) visual information does not imply or constitute DoD endorsement.

Veterans Affairs

The PACT Act and your VA benefits:

The PACT Act (PACT) Act of 2022 is a new law that expands VA health care and benefits for veterans exposed to burn pits, Agent Orange and other toxic substances.

The legislation provides for presumptive benefit status for 12 types of cancer and 12 other respiratory illnesses linked to burn pit exposure in the Gulf War, the War in Afghanistan and the War in Iraq.

The new law also provides presumptive benefit status for hypertension and monoclonal gammopathy of undetermined significance (MGUS) among veterans who served in Vietnam and radiation-related illnesses for veterans who served in several new locations in the 1960s and early 1970s.

Dependency & Indemnity Compensation (DIC)

Any new DIC claims will be reviewed for potential benefits based on expanded eligibility under PACT Act.

Survivors may request reevaluation of previously denied DIC benefits for potential benefits based on expanded eligibility under PACT Act.

VA is encouraging survivors who think they might be eligible for PACT Act benefits to apply now.

Outreach letters are being sent to potential applicants.

Access and manage your VA benefits and health care online. Please visit:

va.gov/PACT or call 1-800-MyVA411 (1-800-698-2411)

ARLINGTON NATIONAL CEMETERY

Upon the death of the veteran or veteran's spouse, the primary next of kin (PNOK) or person authorized to direct disposition (PADD) should contact a local funeral home to arrange for any desired services in the hometown. The PNOK, PADD or the funeral director should telephone

Arlington National Cemetery's customer service center at 1-877-907- 8585 to arrange for the interment/inurnment service.

For questions regarding your benefits. Please feel free to contact our Member Services department at 888 237-2872.

NEXT UPDATE JANUARY 1, 2024

Hours of Operation

8:00 a.m. – 4:30 p.m. EST
(Monday – Friday, excluding holidays)

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