

United States Senate

WASHINGTON, DC 20510

December 21, 2017

Billy Maynard
President and Chief Executive Officer
Health Net Federal Services, LLC
2107 Wilson Boulevard, Suite 900
Arlington, VA 22201

Dear Mr. Maynard:

We write to you today regarding changes to the TRICARE health care program that will impact more than 9.4 million uniformed service members, veterans, and their families on January 1, 2018. As you assume responsibility for the TRICARE beneficiaries in our states, we expect nothing short of excellence from your company in providing access to the highest quality medical care for the men and women who have worn the uniform of our nation.

On January 1st, the three existing TRICARE service regions will consolidate into two: East and West. Concurrent with this change, Health Net Federal Services (HNFS) will become the regional provider for the West region, administering health care plans for approximately 2.8 million beneficiaries in 21 states. This includes 357,495 in Montana, Wyoming, Colorado, and Idaho. While HNFS' historical performance administering TRICARE in the northeastern U.S. is promising, its more recent performance administering the Veterans Choice Program has left doubt in the minds of healthcare providers in large, rural western states such as ours.

The Veterans Choice Program was intended to provide a common sense solution for those who live hours from the nearest Veterans Affairs (VA) facility by allowing them to receive treatment from qualified providers within their local communities. This lifeline would extend access to thousands of veterans in small towns and rural areas across our states. Yet, the value of this program has not been realized in the communities we serve.

We routinely receive calls and letters from our constituents regarding overdue balances, misrouted payments, cancelled appointments, and other bureaucratic hurdles they face with Health Net. These experiences have led some healthcare providers to declare they will not participate in the new TRICARE construct in 2018, despite significant programmatic distinctions between the Department of Defense and VA healthcare systems. This lost confidence translates to limited healthcare options for military families in our states who don't live in close proximity to a military installation.

As these new changes take effect in 2018, we expect regular updates on how your company is using the \$49.2 million our taxpayers have provided to ensure a seamless transition for TRICARE beneficiaries, and to restore trust and confidence back into the communities. We would also like to meet with you as soon as possible to discuss this transition, your plan to reach TRICARE members outside of the prime network service areas, and the ongoing issues still facing the Veterans Choice Program.

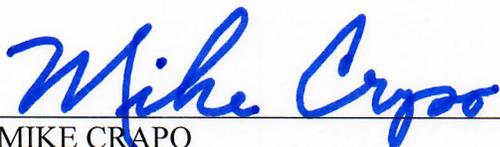
Sincerely,



STEVE DAINES
United States Senator



MICHAEL B. ENZI
United States Senator



MIKE CRAPO
United States Senator



JOHN BARRASSO
United States Senator



CORY GARDNER
United States Senator