

Military-Civilian Integrated Health Care Delivery Systems: A New Era in Health Care Delivery for Military Dependents and Retirees

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The National Defense Authorization Act (“NDAA”) – passed in late 2016 – provides numerous changes to military health care. One of the changes, NDAA Sec. 706, establishes the Military-Civilian Integrated Health Care Delivery Systems – a sweeping new change for the Defense Health Agency (“DHA”) and the Military Treatment Facilities (“MTFs”) to provide health care services for non-active duty beneficiaries through partnerships with the private sector.

These private sector partnerships require the Secretary of Defense by January 1, 2018, to enter into Memoranda of Understanding (MOU) and contracts between the MTFs and:

- Health maintenance organizations
- Health care centers of excellence
- Public or private academic medical institutions
- Regional health organizations
- Integrated health systems
- Accountable care organizations, and
- Other health systems as the Secretary of Defense considers appropriate.

This is an opportunity for these organizations to provide health care to the military dependents and retirees either in its own facilities utilizing capitated payments, bundled payments, or pay for performance. NDAA Section 706 makes clear that the covered beneficiaries are eligible to enroll in and receive medical services under the private sector components of the military-civilian integrated health delivery systems listed above. Of course, the health care services must be comparable to the quality of services received by beneficiaries at an MTF.

What is the purpose of the Military-Civilian Integrated Health Care Delivery System?

The Military-Civilian Integrated Health Care Delivery System is designed to improve access to health care and outcomes while enhancing the health care experience for beneficiaries. And the NDAA provides for the sharing of resources – such as staff, equipment, and training assets – between the Department of Defense (“DoD”) and the private sector to carry out the integrated health delivery systems. Importantly, services within the MTF that are essential for the maintenance of the DoD operation medical force readiness skills of health care providers must be maintained and members of the Armed Forces must be provided additional training opportunities to maintain these skills.

What will be included in the Military-Civilian Integrated Health Care Delivery System?

There are 9 major elements in the Military-Civilian Integrated Health Care Delivery System:

1. Deliver high quality health care as measured by leading national health quality measurement organizations;
2. Achieve greater efficiency in the delivery of health care by identifying and implementing within each such system improvement opportunities that guide patients through the entire continuum of care, thereby reducing variations in the delivery of health care and preventing medical errors and duplication of medical services;
3. Improve population-based health outcomes by using a team approach to deliver case management prevention, and wellness services to high-need and high cost patients;
4. Focus on preventive care that emphasizes:
 - (A) Early detection and timely treatment of disease;
 - (B) Periodic health screenings; and
 - (C) Education regarding healthy lifestyle behaviors;
5. Coordinate and integrate health care across the continuum of care, connecting all aspects of healthcare received by the patient, including the patient’s health care team;
6. Facilitate access to health care providers, including
 - (A) After-hours care;
 - (B) Urgent care; and
 - (C) Through telehealth appointments when appropriate;
7. Encourage patients to participate in making health care decisions;
8. Use evidence based treatment protocols that improve the consistency of health care and eliminate ineffective, wasteful healthcare practices; and
9. Improve coordination of behavioral health services with primary health care.

Overall, these elements seek to provide high quality care more effectively and efficiently with a focus on providing preventative care as well as convenient access to providers.

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