

RAO Newsletter #2023-1 Know Your TRICARE Plan's Catastrophic Cap

SOURCE: TRICARE Communications - January 12, 2023

FALLS CHURCH, Va. – What will happen if doctor visits, medical tests, or even hospital stays start to pile up this year? How will it affect your family's finances? Fortunately, there's a set maximum amount you'll pay out of pocket each year for [TRICARE covered services](#). This amount is known as the catastrophic cap, and it resets every year on Jan. 1.

“The TRICARE catastrophic cap is an important part of your health care coverage to understand,” said Debra Fisher, TRICARE Health Plan policy and programs analyst at the Defense Health Agency. “The catastrophic cap helps protect you because it limits your annual out-of-pocket costs for TRICARE covered services.”

Every TRICARE plan has a catastrophic cap. Below are some details to help you identify your catastrophic cap and learn how it works.

What is your 2023 catastrophic cap amount?

As noted in the [TRICARE Costs and Fees Fact Sheet](#), your catastrophic cap depends on your sponsor's status and beneficiary group. So, the first thing to understand about your catastrophic cap is what group you're in:

- **Group A:** Sponsor's initial enlistment or appointment is before Jan. 1, 2018
- **Group B:** Sponsor's initial enlistment or appointment is on or after Jan. 1, 2018

For 2023, the catastrophic cap ranges from \$1,000 to \$4,262. You can find your 2023 catastrophic cap in the table below.

Sponsor or Beneficiary Type	Group A	Group B
Active duty family members	\$1,000/family	\$1,217/family
Retirees, family members of retirees, and others	\$3,000/family (TRICARE Prime) \$4,028/family (TRICARE Select)	\$4,262/family
TRICARE Reserve Select	Follow Group B	\$1,217/family
TRICARE Retired Reserve	Follow Group B	\$4,262/family
TRICARE Young Adult	Follow Group B	\$1,217/active duty family members \$4,262/retiree family members
Continued Health Care Benefit Program	Follow Group B	\$4,262/family
TRICARE For Life	\$1,000/active duty family members \$3,000/all others	

Which costs apply to your catastrophic cap?

For covered services, out-of-pocket costs that apply toward your catastrophic cap include:

- Out-of-pocket deductibles
- Inpatient copayments or cost-shares
- Outpatient copayments or cost-shares
- Pharmacy drug costs
- Enrollment fees under [TRICARE Prime](#) and [TRICARE Select](#) plans

Which costs don't apply to your catastrophic cap?

Out-of-pocket costs that don't count toward your catastrophic cap include:

- Payments for [non-covered services](#)
- Premium payments for [TRICARE Reserve Select](#), [TRICARE Retired Reserve](#), and [TRICARE Young Adult](#)
- [Point-of-service fees](#) for TRICARE Prime

What happens when you reach your catastrophic cap?

When you or your family reaches your catastrophic cap, TRICARE picks up all remaining covered costs. This means you won't be responsible for the cost of the TRICARE-allowed portion of any covered service for the rest of the calendar year. However, you'll still have to pay for services that don't fall under the catastrophic cap. Your catastrophic cap will reset to \$0 on Jan. 1.

Does your catastrophic cap reset if you change health plans mid-year?

No. If you change plans during the calendar year under the same sponsor, any amount credited toward the previous catastrophic cap will be credited toward the new catastrophic cap.

Understanding your costs is an important step on the way to managing your finances this year. Use the [TRICARE Compare Costs Tool](#) and read the [TRICARE Costs and Fees Fact Sheet](#) to learn more about your health plan costs. You can also reach out to your [TRICARE contractor](#) if you have questions about your out-of-pocket costs.