

TRICARE Insurance Incentive Program

FAQ

- **Q1: When does this program begin?**
 - **Answer:** The program will be Effective as of July 1, 2023

- **Q2: Who is eligible to participate? (All three must be true)**
 - **Answer:** Qualifying participants are:
 - Retired military service members who have accumulated 20 or more years of Active Service, Guard or Reserves
 - Retired military service members who are eligible for, and the primary member enrolled on TRICARE,
 - Are currently employed in a full-time status by the State of Nebraska.
 - NOTE: Teammates cannot be enrolled in both the Tricare Insurance Incentive Program and a State of Nebraska medical plan at the same time.

- **Q3: What supporting documentation will need to be submitted to show eligibility for payment?**
 - **Answer: Must Either submit**
 - **Form DD214** – This document shows the record of service, awards, schooling, and total years of service. OR
 - **Separation Order** – This document shows the transfer into retired reserve and should indicate years of service.
 - With exceptions some documents such as retirement papers or Notification of Eligibility for Retired Pay for Non-Regular Service (20 years) may be acceptable.
 - Please refer to the Tricare Insurance Incentive Program – Teammate User Guide for more information on how to submit the necessary documentation.

 - As well as:**
 - **Proof of enrollment into the TRICARE plan** –
 - Tricare Eligibility Letter
 - Tricare Insurance Card
 - Please refer to the Tricare Insurance Incentive Program – Teammate User Guide for more information on how to submit the necessary documentation.

- **Q4: What happens if I drop Tricare?**
 - **Answer:** Teammates must inform their agency HR or the Wellness & Benefits team immediately should they drop Tricare. Teammates must act within the qualifying event period, 30 days from the drop of Tricare coverage, in order to transition to a State of Nebraska medical plan. Failure to act could result in the teammate not being able to access State of Nebraska medical coverage until general Open Enrollment.
 - Please refer to the Tricare Insurance Incentive Program – Teammate User Guide for more information on what to do if you drop Tricare.

- **Q5: Are any/all Military Veteran's eligible to participate in this program?**
 - **Answer:** No, at this time, please refer to answer for Q2 for those eligible to participate.

- **Q6: As an eligible participant, will the State of Nebraska pay my full TRICARE premium?**
 - **Answer:**
 - For those with individual TRICARE plans, the flat monthly stipend would be in the amount of five-hundred dollars (\$500.00).
 - For those with family TRICARE plans, the flat monthly stipend would be in the amount of one-thousand dollars (\$1,000.00).
 - *Please note that this will be added to your payroll check (not a separate check) and will be taxed as income.

- **Q7: Will a teammate's agency be involved in this process?**
 - **Answer:** Yes,
 - The teammates agency will be responsible for reviewing the documentation noted in Q3.
 - The agency will also be responsible for paying the stipend to their eligible teammate according to the level of coverage that the teammates is approved for.
 - Agency HR Partners and Payroll Personnel should review the Tricare Insurance Incentive Program – HR Partner User Guide for reference on the eligibility and payment processes.

- **Q8: Does a teammate need to complete original probation to participate in this program?**
 - **Answer:** No,
 - a qualifying teammate does not need to complete original probation, however, must be a current full-time permanent State of Nebraska employee, as well as meet the other criteria outlined in Q3.

- **Q9: Can this program apply retroactively to TRICARE coverage held by the teammate**
 - **Answer:** No,
 - This only applies to TRICARE coverage in place or enrolled in as of July 1, 2023 and going forward.

- **Q10: Is being newly eligible for TRICARE, as a retiree, an IRS qualifying event that would make me eligible to drop the states coverage and receive the stipend?**
 - **Answer:** Yes,
 - becoming newly eligible for the TRICARE coverage, as a Retired Military Service member with 20 (or more) years of service, would make you eligible to receive the Stipend for Individual or family coverage.

- **Q11: Should I elect to waive medical coverage through the State of Nebraska Open Enrollment to take advantage of the TRICARE stipend?**
 - **Answer:**
 - You can make changes to your medical coverage (elect/waive/change level of coverage) during the State of Nebraska Open Enrollment; however, we would encourage you to confirm that you have secured TRICARE coverage prior to waiving your current coverage under the State of Nebraska.
 - If you elect to waive the States coverage, and then fail to qualify for the TRICARE coverage, that unfortunately is not considered an IRS qualifying event to come back onto the State of Nebraska's medical plan.
 - Gain or Loss of other coverage is an IRS qualifying event.

- **Q12: If a teammate transfers to another agency are they eligible for the TRICARE Insurance Incentive program?**

- **Answer:** Yes, as long as the teammate is a current full-time permanent State of Nebraska employee, in addition to being a Retired Military Service member with 20 (or more) years of service, who is eligible for TRICARE.

- **Q13: What are the tax implications for this plan?**
 - **Answer:**
 - Monthly stipends are taxable as supplemental wages to the teammate. Stipend will be processed through payroll, so the applicable income and FICA taxes are withheld.
 - The receipt of this stipend may also put the teammate in a different tax bracket, we advise that you consult your tax professional.

- **Q14: What is the deadline for enrollment in this program?**
 - **Answer:** You must provide your proof of eligibility as soon as possible. You will need to make sure the necessary documents have the effective date of the TRICARE coverage.
 - The Stipend will be added to your paycheck the first of the month following confirmation of the TRICARE coverage.
 - Additional questions concerning payroll and receipt of the stipend will need to be addressed to your agency payroll team.

- **Q15: How is the program funded, will it affect agency budgets?**
 - **Answer:** The agency of the teammate will be responsible for the funding of the monthly stipend. The funds are sourced from the same source as current employer contributions to health insurance premiums

- **Q16: How will the “flat monthly stipend” be paid, will I see the stipend added to my payroll.**
 - **Answer:** Payment will be made through the use of external DBAs. Agency HR Partners and Payroll Personnel should review the Tricare Insurance Incentive Program – HR Partner User Guide for reference on the eligibility and payment processes.

- **Q17: What if I am honorably retired due to injury?**
 - **Answer:** Teammates who are honorably retired due to injury are able to qualify as an exception to the general eligibility criteria of 20 years or more of service as outlined in Q2. However, all other eligibility criteria must still be met and teammates must still provide the necessary documentation verifying they meet that criteria.