agency must issue a rule justifying the exemption.

The new systems of records may include investigatory materials compiled in connection with the Commission's enforcement of the federal securities laws, in connection with potential or actual incidents of workplace violence, or in connections with complaints, inquiries or requests from the public. The Commission and investors will benefit from the amendments, because in their absence the potential access to or disclosure of the investigatory materials in these systems of records could seriously undermine the effective enforcement of the Federal securities laws, and could jeopardize the safety and security of Commission employees in the workplace.

We recognize that the proposed amendments may impose costs on individuals who may wish to obtain access to records that contain investigatory materials in these systems of records. We have no way of estimating the potential number of individuals who might in the future desire such access. Nevertheless, the benefits of exempting those records from public access are compelling, and they clearly justify the costs of the exemption. In addition, Congress was aware of such potential costs when they promulgated the specific exemption in 5 U.S.C. 552a(k)(2). The Commission discussed these costs and benefits in the proposing release and received no comments on them.

Regulatory Flexibility Act Certification

Pursuant to the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601–612, SEC certified that these regulations would not significantly affect a substantial number of small entities. The rule imposes no duties or obligations on small entities. Further, in accordance with the provisions of the Paperwork Reduction Act of 1995, 44 U.S.C. 3501, SEC has determined that this rule would not impose new recordkeeping, application, reporting, or other types of information collection requirements. The Commission provided this certification in the proposing release and received no comments.

List of Subjects in 17 CFR Part 200

Administrative practice and procedure; Privacy.

Text of Amendments

For the reasons set out in the preamble, Title 17, Chapter II, of the Code of Federal Regulations is amended as follows:

PART 200—ORGANIZATION; CONDUCT AND ETHICS; AND INFORMATION AND REQUESTS

■ 1. The authority citation for Part 200 is amended by adding authority for § 200.312 in numerical order to read as follows:

Authority: 15 U.S.C. 77o, 77s, 77sss, 78d, 78d–1, 78d–2, 78w, 78ll(d), 78mm, 80a–37, 80b–11, and 7202, unless otherwise noted.

* * * * *

Section 200.312 is also issued under 5 U.S.C. 552a(k).

* * * * *

Subpart H—Regulations Pertaining to the Privacy of Individuals and Systems of Records Maintained by the Commission

■ 2. Amend § 200.312 by:
■ a. Removing "and" at the end of paragraph (a)(5);
■ b. Removing the period at the end of paragraph (a)(6) and adding a semicolon in its place;
■ c. Adding paragraphs (a)(7), (a)(8) and (a)(9);
■ d. Revising paragraph (b); and
■ e. Removing the authority citation at the end of the section.

The additions and revision read as follows.

§ 200.312 Specific exemptions.

* * * * *

(a) * * *

(7) Tips, Complaints, and Referrals (TCR) Records;

(8) SEC Security in the Workplace Incident Records; and

(9) Investor Response Information System (IRIS).

(b) Pursuant to 5 U.S.C. 552a(k)(5), the system of records containing the Commission's Disciplinary and Adverse Actions, Employee Conduct, and Labor Relations Files shall be exempt from sections (c)(3), (d), (e)(1), (e)(4)(G), (H), and (I), and (f) of the Privacy Act, 5 U.S.C. 552a(c)(3), (d), (e)(1), (e)(4)(G), (e)(4)(H), and (e)(4)(I), and (f), and 17 CFR 200.303, 200.304, and 200.306 insofar as they contain investigatory material compiled to determine an individual's suitability, eligibility, and qualifications for Federal civilian employment or access to classified information, but only to the extent that the disclosure of such material would reveal the identity of a source who furnished information to the Government under an express promise that the identity of the source would be held in confidence, or, prior to September 27, 1975, under an implied promise that the identity of the source would be held in confidence.

By the Commission.

Dated: September 12, 2011.

Elizabeth M. Murphy,

Secretary.

[FR Doc. 2011–23732 Filed 9–15–11; 8:45 am]

BILLING CODE 8011–01–P

DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 199

[DOD–2009–HA–0068]

RIN 0720–AB30

TRICARE; Continued Health Care Benefit Program Expansion

AGENCY: Office of the Secretary, Department of Defense.

ACTION: Final rule.

SUMMARY: This final rule executes the expansion of section 1078a of title 10, United States Code (U.S.C). With the recent expansions of Military Health System (MHS) coverage, particularly with the Reserve Component (RC) members, some MHS beneficiaries would not be eligible to purchase Continued Health Care Benefit Program (CHCBP) coverage under certain circumstances that terminate their MHS coverage. This provision allows the Secretary to establish CHCBP eligibility for any category of MHS beneficiaries who otherwise would lose MHS coverage with no continued care eligibility. Although the proposed rule listed each authorized category of MHS beneficiary eligible to receive care, on further examination this format for the rule appeared cumbersome and perhaps confusing. Thus this final rule contains some organizational changes to simplify the rule to enhance understanding and make clear that any category including future categories of beneficiaries are entitled to purchase this CHCBP coverage. This final rule also includes administrative changes providing clarification on eligibility notifications and the CHCBP premium rate publication process. It updates the previous final rule published in the **Federal Register** on September 30, 1994.

DATES: *Effective Date:* October 17, 2011.

FOR FURTHER INFORMATION CONTACT: Mr. Mark Ellis, TRICARE Policy and Operations, TRICARE Management Activity, 5111 Leesburg Pike, Suite 810, Falls Church, VA 22041, telephone (703) 681–0039.

SUPPLEMENTARY INFORMATION:

I. Introduction and Background

CHCBP is the program that provides continued health care coverage for eligible beneficiaries who lose their MHS eligibility. It was initially established by Congress in section 4408 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 1993, Public Law 102–484, which amended title 10 U.S.C., by adding section 1078a. The Department of Defense (DoD) published the initial final rule regarding CHCBP in the **Federal Register** on September 30, 1994, (59 FR 49817). It is modeled after private sector insurance programs giving some employees the ability to continue health insurance coverage after leaving employment as authorized by the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985. "COBRA Coverage" requires the individual to pay up to 100 percent of the program cost plus an amount to cover administrative expenses.

Section 713 of the NDAA for FY 2004 expanded the category of persons authorized coverage to include the uniformed services that are not armed forces. A final rule implementing this change was published in the **Federal Register** on September 30, 1994. The statute was again amended by Section 705 of the NDAA for FY 2008 which authorized the expansion of persons eligible for the CHCBP under 10 U.S.C. 1078a to include any person specified by regulation prescribed by the Secretary who was authorized coverage under 10 U.S.C. chapter 55 and who loses that eligibility. The proposed rule to implement this change was published in the **Federal Register** on November 27, 2009. The intent of the proposed rule and this final rule is to specify that any person who is currently authorized coverage under 10 U.S.C. chapter 55 or 10 U.S.C. 1145(a) and any person who may in the future be authorized coverage under chapter 55 of 10 U.S.C. or 10 U.S.C. 1145(a) and who loses that eligibility shall be authorized coverage under the CHCBP.

Currently, CHCBP provides coverage for certain active duty (AD) service members and their family members as well as RC members and their families. The coverage period is up to 36 months after the date on which the person first ceases to be covered under his or her respective program eligibility. However, for RC members the coverage is for 18 months from either separation from AD or when coverage under the Transitional Assistance Management Program (TAMP) (10 U.S.C. 1145(a)) ends.

The 2008 change to 10 U.S.C. 1078a expands CHCBP to all who the Secretary specifies in regulation who lose entitlement or eligibility to health care services under 10 U.S.C. chapter 55 Therefore, members or former members of the RC, such as TRICARE Reserve Select under 10 U.S.C. 1076d or TRICARE Retired Reserve under 10 U.S.C. Section 1076e coverage under CHCBP will now run for 18 months after the date the member ceases to be eligible for benefits under their respective Reserve program's eligibility. The rule also standardizes the number of days that a written election by an eligible beneficiary must be made to sixty (60) days after loss of entitlement or eligibility. Previously, those losing eligibility for TRICARE Reserve Select had only thirty (30) days to elect CHCBP coverage. The rule clarifies that individual locked out of other TRICARE plans per the other TRICARE program rules are not eligible to purchase CHCBP.

II. Public Comments

The proposed rule was published in the **Federal Register** on November 27, 2009 (74 FR 62271), for a 60-day comment period. We received comments from one individual. We thank the commenter for his comments. Specific matters raised are summarized below.

Comment: One commenter said the final changes to the CHCBP could be extremely beneficial to current and former service members, but that eligibility for health care for National Guard/RC members after the member ceases to be entitled to care under 10 U.S.C. 1074(a) (AD) or 10 U.S.C. 1145(a) (TAMP) should be extended to at least 24 months to maximize the opportunity for care. The commenter noted many health issues that service members are experiencing in theater need more time to be fully understood by the member and to be officially diagnosed. By extending an additional six months, service members who may be in denial about health issues or who may be having trouble transitioning to "civilian" life would have more time to obtain medical and dental care.

Response: The period of CHCBP eligibility after a period of AD or TAMP is limited by statute to 18 months. However, the 6 months of TAMP plus the 18 months of CHCBP allows the member the opportunity for 24 months of care.

Comment: One comment asked for clarity as to how long a "specific and limited period of time" CHCBP can continue.

Response: Eligibility timeframes for CHCBP vary by beneficiary category and are outlined in 32 CFR 199.20(d)(1).

Comment: One comment asked who would be considered a "certain former spouse" who is eligible for CHCBP.

Response: Eligibility for unremarried former spouses is outlined in 32 CFR 199.20(d)(1)(iii).

III. Provisions of Final Rule

This rule expands eligibility to purchase CHCBP coverage for any beneficiary that loses entitlement or eligibility for medical care under 10 U.S.C. chapter 55 or 10 U.S.C. 1145(a), subject to the coverage limits of 10 U.S.C. 1078a.

The final rule incorporates a number of revisions from the proposed rule to clarify the expanded coverage adopted by Congress in section 705 of the NDAA for FY 2008 to ensure that all future beneficiaries under 10 U.S.C. chapter 55 or 10 U.S.C. 1145 who lose eligibility for care under those parts will be eligible to purchase CHCBP. For example in relation to coverage of RC personnel and their family members, the children of RC personnel who are covered dependent children under TRS and who reach the coverage age limit will have the same CHCBP eligibility as their counterparts who are children of AD personnel. As another example, a surviving spouse and child of a RC member who dies and who were covered by TRR will have the opportunity to obtain CHCBP coverage for up to three years after TRR coverage ends.

Administrative Changes

This final rule provides for improved administration of CHCBP by: Allowing the Department of Defense and the other uniformed services the ability to delegate to a designee the responsibility for notifying persons eligible to receive health benefits under the CHCBP; requiring supporting documentation on any change in status that would make a child eligible for CHCBP; allowing notification of a former spouse's potential eligibility for CHCBP to be made to the CHCBP contractor by the member, former member, or former spouse; establishing a 14-day period within which the CHCBP contractor must advise former spouses of their potential eligibility for CHCBP; and discontinuing the requirement that CHCBP premium rates be published annually but, instead, requiring that the premium rates be published whenever a change in rate occurs. There have been no changes in this final rule from the proposed rule on these administrative matters.

This final rule also makes minor editorial changes in an attempt to improve understanding of CHCBP program requirements and processes, including making grammatical improvements in the text of § 199.20. There have been a few minor changes in this final rule from the proposed rule on these editorial matters. These include reference to the "TRICARE Standard program" vice the TRICARE basic program; reference to the "CHCBP contractor" vice the "Third Party Administrator;" and reference to members of the "uniformed services" where the term "armed forces" was inadvertently used. Finally, the final rule includes a conforming change to § 199.24, deleting the paragraph that addressed the relationship between TRS and the CHCBP. That relationship is not covered by the revised provisions in § 199.20, which governs the CHCBP.

This final rule also contains administrative changes to update information regarding the current CHCBP and TRICARE programs as follows: Updates the "CHAMPUS" (Civilian Health and Medical Program of the Uniformed Services) program name to "TRICARE" when appropriate; updates the Department of Defense agency name from "OCHAMPUS" (the Office of CHAMPUS) to "TRICARE Management Activity" (TMA); replaces the reference "Third Party Administrator" with "CHCBP contractor" to make it consistent with the "contractor" term used for TMA programs; updates "military health services system" with "Military Health System;" and updates information regarding the enrollment process both to require the use of the enrollment applications or DD Form as designated by the Director, TRICARE as well as the documentation required to verify an applicant's eligibility for enrollment.

This final rule contains administrative changes to other paragraphs of Title 32 Code of Federal Regulations, specifically in § 199.20, by: Changing the title of paragraph (n) of this section "Peer Review Organization Program" to "Quality and Utilization Review Peer Review Organization Program;" changing the title of the program in paragraph (p)(2)(ii) from "Active Duty Dependents Dental Plan" to "TRICARE Dental Program;" and by adding to that same paragraph the "TRICARE Retiree Dental Program" under § 199.22 as a special program that is not available to participants in the CHCBP. In addition, this final rule deletes paragraph (p)(3) in its entirety, as that subpart referenced two demonstration projects that are no longer in existence and therefore no longer available to CHCBP participants: The "Home Health Care Demonstration" and the "Home Health Care—Case Management Demonstration." There have been no changes in this final rule from the proposed rule on these references.

IV. Regulatory Procedures

Executive Order 12866, "Regulatory Planning and Review" and Public Law 96–354, "Regulatory Flexibility Act" (5 U.S.C. 601)

Executive Order 12866 requires that a comprehensive regulatory impact analysis be performed on any economically significant regulatory action, defined as one that would result in an annual effect of $100 million or more on the national economy or which would have other substantial impacts. The Regulatory Flexibility Act (RFA) requires that each Federal agency prepare, and make available for public comment, a regulatory flexibility analysis when the agency issues a regulation which would have a significant impact on a substantial number of small entities. This rule is not an economically significant regulatory action and will not have a significant impact on a substantial number of small entities for purposes of the RFA, thus this final rule is not subject to any of these requirements.

Sec. 202, Public Law 104–4, "Unfunded Mandates Reform Act"

This rule does not contain unfunded mandates. It does not contain a Federal mandate that may result in the expenditure by State, local, and tribal governments, in aggregate, or by the private sector, of $100 million or more in any one year.

Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3511)

This rule will not impose additional information collection requirements on the public. OMB previously cleared the collection requirements under OMB Control Number 0704–0364.

Executive Order 13132, "Federalism"

We have examined the impact(s) of the rule under Executive Order 13132, and it does not have policies that have federalism implications that would have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, therefore, consultation with State and local officials is not required.

List of Subjects in 32 CFR Part 199

Claims, Dental health, Health care, Health insurance, Individuals with disabilities, Military personnel.

Accordingly, 32 CFR part 199 is amended as follows:

PART 199—[AMENDED]

■ 1. The authority citation for part 199 continues to read as follows:

Authority: 5 U.S.C. 301; 10 U.S.C. chapter 55.

■ 2. Section 199.20 is revised to read as follows:

§ 199.20 Continued Health Care Benefit Program (CHCBP).

(a) *Purpose.* The CHCBP is a premium-based temporary health care coverage program that will be available to beneficiaries who meet the eligibility and enrollment criteria as set forth in paragraph (d)(1) of this section. The CHCBP is not part of the TRICARE program. However, as set forth in this section, it functions under similar rules and procedures of the TRICARE Standard program. Because the purpose of the CHCBP is to provide a continuation health care benefit for the Department of Defense and the other uniformed services (National Oceanic and Atmospheric Administration (NOAA), Public Health Service (PHS), and Coast Guard) beneficiaries losing eligibility, it will be administered so that it appears, to the maximum extent possible, to be part of the TRICARE Standard program. Medical coverage under this program will be the same as the benefits payable under the TRICARE Standard program. However, unlike the Standard program there is a cost for enrollment to the CHCBP and these premium costs are payable by enrollees before any care may be provided.

(b) *General provisions.* Except for any provisions the Director of the TRICARE Management Activity may exclude, the general provisions of § 199.1 shall apply to the CHCBP as they do to TRICARE.

(c) *Definitions.* Except as may be specifically provided in this section, to the extent terms defined in § 199.2 are relevant to the administration of the CHCBP, the definitions contained in that section shall apply to the CHCBP as they do to the TRICARE Standard program.

(d) *Eligibility and enrollment.* (1) *Eligibility,* Enrollment in the CHCBP is open to any individual, except as noted in this section, who:

(i) Ceases to meet the requirements for eligibility under 10 U.S.C. chapter 55 or 10 U.S.C. 1145, and

(ii) Who on the day before they cease to meet the eligibility requirements for

such care they were covered under a health benefit plan under 10 U.S.C. chapter 55 or transitional healthcare under 10 U.S.C. 1145, and

(iii) Who would otherwise not be eligible for any benefits under 10 U.S.C. chapter 55 or 10 U.S.C. 1145 except for CHCBP.

(2) *Exceptions.* The following individuals are not eligible to enroll in CHCBP:

(i) Members of uniformed services, who are discharged or released from active duty either voluntarily or involuntarily under conditions that are adverse.

(ii) Individuals who lost their eligibility or entitlement to care under 10 U.S.C. chapter 55 or 10 U.S.C. 1145 before October 1, 1994.

(iii) Individuals who are locked out of other TRICARE programs per that program's requirements.

(3) *Effective date.* Eligibility in the CHCBP is limited to individuals who lost their entitlement to benefits under the MHS on or after October 1, 1994. The effective date of their coverage under CHCBP shall begin on the day after they cease to be eligible for care under 10 U.S.C. chapter 55 or 10 U.S.C. 1145.

(4) *Notification of eligibility.*

(i) The Department of Defense and the other uniformed services (National Oceanic and Atmospheric Administration (NOAA), Public Health Service (PHS), and Coast Guard) will notify persons in the uniformed services eligible to receive health benefits under the CHCBP. In the case of a member who becomes (or will become) eligible for continued coverage, the Department of Defense shall notify the member of their rights for coverage as part of pre-separation counseling conducted under 10 U.S.C. 1142.

(ii) In the case of a dependent of a member or former member who become eligible for continued coverage under paragraph (d)(1)(ii) of this section:

(A) The member or former member may submit to the CHCBP contractor a notice with supporting documentation of the dependent's change in status (including the dependent's name, address, and such other information needed); and

(B) The CHCBP contractor, within fourteen (14) days after receiving such information, will inform the dependent of the dependent's rights under 10 U.S.C. 1142.

(iii) In the case of a former spouse of a member or former member who becomes eligible for continued coverage, the member, former member or former spouse may submit to the CHCBP contractor a notice of the former spouse's change in status. The CHCBP contractor within fourteen (14) days after receiving such information will notify the individual of their potential eligibility for CHCBP.

(5) *Election of coverage.* In order to obtain coverage under the CHCBP, a written election by the eligible beneficiary must be made within a prescribed time period.

(i) In the case of a member discharged or released from active duty or full-time National Guard duty (whether voluntarily or involuntarily), or a RC member formerly eligible for care under 10 U.S.C. chapter 55, the written election shall be submitted to the CHCBP contractor before the end of the 60-day period beginning on the later of:

(A) The date of the discharge or release of the member; or

(B) The date that the period of transitional health care applicable to the member under 10 U.S.C. 1145(a) ends; or

(C) The date the member receives the notification required in paragraph (d)(3) of this section.

(ii) In the case of a child who ceases to meet the requirements for being an unremarried dependent child of a member or former member under 10 U.S.C. 1072(2)(D) or an unmarried dependent of a member or former member of the uniformed services under 10 U.S.C. 1072(2)(I), the written election shall be submitted to the CHCBP contractor before the end of the 60-day period beginning on the later of:

(A) The date that the dependent ceases to meet the definition of a dependent under 10 U.S.C. 1072(2)(D) or 10 U.S.C. 1072(2)(I); or

(B) The date that the dependent receives the notification required in paragraph (d)(3) of this section,

(iii) In the case of former spouse of a member or former member, the written election shall be submitted to the CHCBP contractor before the end of the 60-day period beginning on the date as of which the former spouse first ceases to meet the requirements for being considered a dependent under 10 U.S.C. 1072(2).

(iv) In the case of an unmarried surviving spouse of a member or former member of the uniformed services who on the day before the death of the member or former member was covered under 10 U.S.C. chapter 55 or 10 U.S.C. 1145(a), the written election shall be submitted to the CHCBP contractor within 60 days of the date of the member or former member's death.

(v) A member of the uniformed services who is eligible for enrollment under paragraph (d)(1) of this section may elect self-only or family coverage. Family members who may be included in such family coverage are the spouse and children of the member.

(vi) All other categories eligible for enrollment under paragraph (d)(1) of this section must elect self-only coverage.

(6) *Enrollment.* To enroll in the CHCBP, an eligible individual must submit the completed enrollment form designated by the Director, TRICARE as well as any documentation as requested on the enrollment form to verify the applicant's eligibility for enrolling in CHCBP, and payment to cover the quarter's premium. The CHCBP contractor may request additional information and documentation to confirm the applicant's eligibility for CHCBP.

(7) *Period of coverage.* Except as noted below CHCBP coverage may not extend beyond 18 months from the date the individual becomes eligible for CHCBP. Although beneficiaries have sixty (60) days to elect coverage under the CHCBP, upon enrolling, the period of coverage must begin the day after entitlement or eligibility to a military health care plan ends as though no break in coverage had occurred notwithstanding the date the enrollment form with any applicable premium is submitted.

(i) Exceptions:

(A) In the case of a child of a member or former member, the date which is 36 months after the date on which the person first ceases to meet the requirements for being considered an unmarried dependent child under 10 U.S.C. 1072(2)(D) or 10 U.S.C. 1072(2)(I).

(B) In the case of an unremarried former spouse (as this term is defined in 10 U.S.C. 1072(2)(G) or (H)) of a member or former member, the date which is 36 months after the later of:

(*1*) The date on which the final decree of divorce, dissolution, or annulment occurs; or

(*2*) If applicable, the date the one-year extension of dependency under 10 U.S.C. 1072(2)(H) expires.

(C) In the case of an unremarried surviving spouse (widow or widower) (under 10 U.S.C. 1072(2)(B) or (C)) of a member or former member of the uniformed services who is not otherwise eligible for care under 10 U.S.C. chapter 55, the date which is 36 months after the date the surviving spouse becomes ineligible under 10 U.S.C chapter 55 or 10 U.S.C. 1145(a).

(D) In the case of a former spouse of a retiree whose marriage was dissolved after the member retired from the service, the period of coverage under the

CHCBP is unlimited, if the former spouse:

(*1*) Has not remarried before the age of 55 after the marriage to the former member was dissolved; and

(*2*) Was enrolled in the CHCBP or TRICARE as the dependent of a retiree during the 18-month period before the date of the divorce, dissolution, or annulment; and

(*3*) Is receiving a portion of the retired or retainer pay of a member or former member or an annuity based on the retainer pay of the member; or

(*4*) Has a court order for payment of any portion of the retired or retainer pay or has a written agreement (whether voluntary or pursuant to a court order) which provides for an election by the member or former member to provide an annuity to the former spouse.

(E) For the beneficiary who becomes eligible for the CHCBP by ceasing to meet the requirements for being considered an unmarried dependent child of a member or former member, health care coverage may not extend beyond the date which is 36 months after the date the member becomes ineligible for medical and dental care under 10 U.S.C. 1074(a) and any transitional health care under 10 U.S.C. 1145(a).

(e) *CHCBP benefits.*

(1) *In general.* Except as provided in paragraph (e)(2) of this section, the provisions of § 199.4 shall apply to the CHCBP as they do to TRICARE.

(2) *Exceptions.* The following provisions of § 199.4 are not applicable to the CHCBP:

(i) Section 199.4(a)(2) concerning eligibility.

(ii) All provisions regarding requirements to use facilities of the uniformed services because CHCBP enrollees are not eligible to use those facilities.

(3) *Beneficiary liability.* For purposes of TRICARE deductible and cost-sharing requirements and catastrophic cap limits, amounts applicable to the category of beneficiaries to which the CHCBP enrollee last belonged shall continue to apply, except that for separating active duty members, amounts applicable to dependents of active duty members shall apply.

(f) *Authorized providers.* The provisions of § 199.6 shall apply to the CHCBP as they do to TRICARE Standard.

(g) *Claims submission, review, and payment.* The provisions of § 199.7 shall apply to the CHCBP as they do to TRICARE Standard except no provisions regarding nonavailability statements shall apply.

(h) *Double coverage.* The provisions of § 199.8 shall apply to the CHCBP as they do to TRICARE Standard.

(i) *Administrative remedies for fraud, abuse, and conflict of interest.* The provisions of § 199.9 shall apply to the CHCBP as they do to TRICARE Standard.

(j) *Appeal and hearing procedures.* The provisions of § 199.10 shall apply to the CHCBP as they do to TRICARE Standard.

(k) *Overpayments recovery.* The provisions of § 199.11 shall apply to the CHCBP as they do to TRICARE Standard.

(l) *Third party recoveries.* The provisions of § 199.12 shall apply to the CHCBP as they do to TRICARE Standard.

(m) *Provider reimbursement methods.* The provisions of § 199.14 shall apply to the CHCBP as they do to TRICARE Standard.

(n) *Quality and Utilization Review Peer Review Organization Program.* The provisions of § 199.15 shall apply to the CHCBP as they do to TRICARE Standard.

(o) *Preferred provider organization programs available.* Any preferred provider organization program under this part that provides for reduced cost sharing for using designated providers, such as the "TRICARE Extra" option under § 199.17, shall be available to participants in the CHCBP as it is to TRICARE Standard beneficiaries.

(p) *Special programs not applicable.*

(1) *In general.* Special programs established under this Part that are not part of the TRICARE Standard program established pursuant to 10 U.S.C. 1079 and 1086 are not, unless specifically provided in this section, available to participants in the CHCBP.

(2) *Examples.* The special programs referred to in paragraph (p)(1) of this section include but are not limited to:

(i) The Extended Care Health Option under § 199.5;

(ii) The TRICARE Dental Program or Retiree Dental Program under § 199.13 and 199.22 respectively;

(iii) The Supplemental Health Care Program under § 199.16;

(iv) The TRICARE Program under § 199.17, except for TRICARE Standard and Extra programs under that section; and

(v) The Uniform HMO benefit under § 199.18.

(q) *Premiums.*

(1) *Rates.* Premium rates will be established by the Assistant Secretary of Defense (Health Affairs) for two rate groups—individual and family. Eligible beneficiaries will select the level of coverage they require at the time of initial enrollment (either individual or family) and pay the appropriate premium payment. The rates are based on Federal Employees Health Benefits Program employee and agency contributions required for a comparable health benefits plan, plus an administrative fee. The administrative fee, not to exceed ten percent of the basic premium amount, shall be determined based on actual expected administrative costs for administration of the program. Premiums may be revised annually and shall be published when the premium amount is changed. Premiums will be paid by enrollees quarterly.

(2) *Effects of failure to make premium payments.* Failure by enrollees to submit timely and proper premium payments will result in denial of continued enrollment and denial of payment of medical claims. Premium payments that are late thirty (30) days or more past the start of the quarter for which payment is due will result in the termination of beneficiary enrollment. Beneficiaries denied continued enrollment due to lack of premium payments will not be allowed to reenroll. In such a case, benefit coverage will cease at the end of the ninety (90) day period for which a premium payment was received. Enrollees will be held liable for medical costs incurred after losing eligibility.

(r) *Procedures.* The Director, TRICARE Management Activity, may establish other rules and procedures for the administration of the CHCBP.

■ 3. Section 199.24 is amended by removing and reserving paragraph (e) to read as follows:

§ 199.24 TRICARE Reserve Select.

* * * * *

(e) [Reserved]

* * * * *

Dated: August 24, 2011.

Patricia L. Toppings,

OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2011–23760 Filed 9–15–11; 8:45 am]

BILLING CODE 5001–06–P