



Defense Health Agency

ADMINISTRATIVE INSTRUCTION

NUMBER 6025.17

July 27, 2023

Healthcare Operations/Pharmacy

SUBJECT: Military Medical Treatment Facility Pharmacy Formulary Policy

References: See Enclosure 1

1. PURPOSE. This Defense Health Agency-Administrative Instruction (DHA-AI), based on the authority of References (a), (b), (c), and (d), and in accordance with the guidance of Reference (e), establishes the Defense Health Agency's (DHA) procedures to implement standardized and efficient Military Medical Treatment Facility (MTF) Pharmacy Operations.
2. APPLICABILITY. This DHA-AI applies to the DHA Enterprise (components and activities under the authority, direction, and control of the DHA) to include: assigned, attached, allotted, or detailed personnel. For DHA publications, the terms "market" or "direct reporting market" includes the Hawaii Market unless otherwise noted in the publication. This applies to all published DHA publications, thereby ratifying any actions taken by the Hawaii Market after establishment.
3. POLICY IMPLEMENTATION. It is DHA's instruction, pursuant to References (a) through (f), that DHA maintain and operate Pharmacy Services within MTFs.
4. RESPONSIBILITIES. See Enclosure 2.
5. PROCEDURES. See Enclosure 3.
6. PROPONENT AND WAIVERS. The proponent of this publication is the Director, Healthcare Operations. When Activities are unable to comply with this publication the activity may request a waiver that must include a justification, including an analysis of the risk associated with not granting the waiver. The activity director or senior leader will submit the waiver

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request through their supervisory chain to the Director, Healthcare Operations to determine if the waiver may be granted by the Director, DHA or their designee.

7. **RELEASABILITY. Cleared for public release.** This DHA-AI is available on the Internet from the Health.mil site at: <https://health.mil/Reference-Center/Policies> and is also available to authorized users from the DHA SharePoint site at: <https://info.health.mil/cos/admin/pubs/SitePages/Home.aspx>.

8. **EFFECTIVE DATE.** This DHA-AI:

a. Is effective upon signature.

b. Will expire 10 years from the date of signature if it has not been reissued or canceled before this date in accordance with Reference (e).

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Director

Enclosures

1. References
2. Responsibilities
3. Procedures

Glossary

ENCLOSURE 1

REFERENCES

- (a) United States Code, Title 10, Section 1074g
- (b) Code of Federal Regulations, Title 32, Section 199.21
- (c) DoD Directive 5136.01, “Assistant Secretary of Defense for Health Affairs (ASD(HA)),” September 30, 2013, as amended
- (d) DoD Directive 5136.13, “Defense Health Agency (DHA),” September 30, 2013, as amended
- (e) DHA-Procedural Instruction 5025.01, “Publication System,” April 1, 2022
- (f) Assistant Secretary of Defense Health Affairs Policy Memorandum 04-032, “TRICARE Pharmacy Benefit Program Formulary Management,” December 22, 2022.¹

¹ All appropriate content from HA Policy MEMO 04-032 has been incorporated and recommend for cancellation by DHA.

ENCLOSURE 2

RESPONSIBILITIES

1. DIRECTOR, DHA. The Director, DHA will provide oversight of the responsibilities assigned to the Director, Healthcare Operations to implement this DHA-AI in accordance with Reference (d).

2. ASSISTANT DIRECTOR, HEALTHCARE ADMINISTRATION. The Assistant Director, Healthcare Administration will coordinate with the Department of Defense Pharmacy and Therapeutics Committee to establish placement of pharmaceutical agents within the formulary and their respective tiered coverage.

3. DEPUTY ASSISTANT DIRECTOR, HEALTHCARE OPERATIONS. The Deputy Assistant Director, Healthcare Operations will:
 - a. Monitor compliance with this DHA-AI through the DHA Pharmacy Operations Division (POD).

 - b. Solicit recommendations for Military Health System (MHS)-wide improvements to MTF Pharmacy Operations and coordinate recommendations through the Enterprise Solutions Board.

4. CHIEF, DHA POD. The Chief, DHA POD will:
 - a. Identify and develop more specific processes and procedures as needed in accordance with this DHA-AI.

 - b. Provide direction and support through the DHA Pharmacy Workgroup.

5. DHA PHARMACY CONSULTANTS. The DHA Pharmacy Consultants will:
 - a. Provide DHA POD's market-level administrative oversight of MTF Pharmacy Operations.

 - b. Monitor the performance of market MTF pharmacies and develop a plan for ensuring compliance with DHA policies and standardized procedures.

6. DIRECTORS, MTFs. The Directors, MTFs will ensure compliance with this instruction.

7. CHIEF, MTF PHARMACY SERVICES (or other approved title). The Chief, MTF Pharmacy Services (or other approved title), will oversee all of pharmacy operations to ensure MTF Pharmacy compliance with this DHA-AI.

ENCLOSURE 3

PROCEDURES

1. TRICARE FORMULARY POLICY

a. The Department of Defense Pharmacy and Therapeutics Committee determines formulary placement and respective tiered coverage of medications/supplies.

b. Tier 1 (formulary generic) and Tier 2 (formulary brand-name) agents are uniform formulary. Prior Authorization criteria may apply.

(1) Uniform formulary agents will be offered to all eligible beneficiaries.

(2) All uniform formulary items are not required to be maintained in the physical pharmacy inventory at all times. Pharmacies should practice “just-in-time” ordering for these covered items.

(3) For pharmacies unable to fulfill the Risk Evaluation and Mitigation Strategy, have limited distribution capabilities, and/or can’t procure the prescription despite maximum efforts, refer the beneficiary to an alternate pharmacy if available in geographic location or work with the prescriber to provide a therapeutic alternative.

c. Tier 3 agents are “non-formulary.” If Prior Authorization and/or Medical Necessity criteria are met and the claim adjudicates in the electronic healthcare record, MHS-GENESIS, then Tier 3 agents will be dispensed to all beneficiaries eligible for TRICARE prescription benefits, regardless of empanelment/referral status or prescriber source (e.g., civilian or military).

d. Completely excluded agents are not covered under the TRICARE prescription benefit and are not available through Express Scripts home delivery program or MTFs. Completely excluded medications cannot be dispensed from MTF pharmacies to any beneficiary.

e. Over-the-counter (OTC) agents, on the MHS-GENESIS OTC list, will be made available when ordered by a provider. A subset of OTC medications may be made available to beneficiaries without a prescriber order upon request as part of an OTC-self-care program.

f. MTF Pharmacies will adhere to all DoD Pharmacy and Therapeutics Committee decisions, unless otherwise exempted by the Director, DHA.

g. Additional information on formulary status of covered medications can be found at: <https://www.health.mil/Military-Health-Topics/Access-Cost-Quality-and-Safety/Pharmacy-Operations/Info-for-Patients/TRICARE-Formulary>

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

DHA	Defense Health Agency
DHA-AI	Defense Health Agency-Administrative Instruction
MHS	Military Health System
MTF	Military Medical Treatment Facility
OTC	over-the-counter
POD	Pharmacy Operations Division

PART II. DEFINITIONS

“just-in-time” ordering. Ordering inventory on an as-needed basis with the understanding that OCONUS and remote sites may have supply challenges which includes increased procurement time.

“alternate pharmacy”. Express Scripts home delivery program, other MTF pharmacy, retail pharmacy, etc.

“completely excluded agents”. Agents that are not covered under the TRICARE pharmacy program. These agents may be acquired in the retail pharmacy sector at the highest out-of-pocket cost with a valid prescription from a prescriber.