OFFICE OF THE SECRETARY OF DEFENSE
1950 DEFENSE PENTAGON
WASHINGTON, DC 20301-1950

ADMINISTRATION AND
MANAGEMENT

July 26, 2004

Honorable Duncan Hunter
Chairman
House Armed Services Committee
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Enclosed is a copy of the charter renewing the Uniform Formulary Beneficiary Advisory Panel, which is being filed with you in accordance with P.L. 92-463, the "Federal Advisory Committee Act."

Copies of this charter are also being filed with the Senate Committee on Armed Services and the Library of Congress.

Sincerely,

Paul D. Granahan
Deputy Director
WHS Planning & Evaluation Office

Enclosure:
As stated

CHARTER
UNIFORM FORMULARY BENEFICIARY ADVISORY PANEL

I. AUTHORITY

The National Defense Authorization Act for Fiscal Year 2000, Public law 106-65, Oct. 5, 1999, section 701, amended chapter 55 of title 10, United States Code, by inserting after section 1074f a new section, 1074g, entitled Pharmacy benefits program. Under section 1074g(b), the Secretary of Defense is required to establish a Pharmacy and Therapeutics Committee for the purpose of developing a uniform formulary of pharmaceutical agents, review such formulary on a periodic basis, and make additional recommendations regarding the formulary as the committee determines necessary and appropriate. In addition, the Act (in section 1074g(c)) requires the Secretary to establish a Uniform Formulary Beneficiary Advisory Panel to review and comment on the development of the uniform formulary. Comments of the panel must be considered prior to implementing the uniform formulary or changes to the formulary. Additionally, the National Defense Authorization Act for Fiscal Year 2004 moved the non-governmental employees from the Department of Defense Pharmacy and Therapeutics Committee, thus requiring changes to the membership of both the Department of Defense Pharmacy and Therapeutics Committee and the Department of Defense Beneficiary Advisory Panel. This charter shall establish the procedures under which the panel shall function until such regulations can be published. This panel shall function under procedures established by the Secretary under regulations promulgated to implement this section.

II. DoD UNIFORM FORMULARY BENEFICIARY ADVISORY PANEL

A. GENERAL PROVISIONS

The National Defense Authorization Act for Fiscal Year 2000, section 701 mandates that a Uniform Formulary Beneficiary Advisory Panel be established to review and comment on the development of the uniform formulary by the DoD Pharmacy and Therapeutics (P&T) Committee. The Secretary of Defense, or his designee, is required to consider the comments of the panel before implementing the uniform formulary or implementing any changes to it.

B. DUTIES

1. Review and comment on recommendations of the P&T Committee concerning the establishment of the Uniform Formulary and subsequent recommended changes.

2. Hold meetings in open forum quarterly. Panel may not hold meetings except at the call of, or with the advance approval of, the Chairman of the panel.

3. Prepare minutes of the proceedings.

4. Prepare comments for the Secretary or designee concerning the Uniform Formulary or changes to the formulary.

C. PANEL MEMBERSHIP

Section 1074g(c) of the Act mandates that the Uniform Formulary Beneficiary Advisory Panel shall include members that represent non-governmental organizations and associations that represent the views and interests of a large number of eligible covered beneficiaries. The panel must be fairly balanced in terms of the points of view represented and may not be inappropriately influenced by special interest groups. Members shall be appointed by the Assistant Secretary of Defense (Health Affairs) (ASD(HA)). The membership shall be composed as follows:

1. The Military Coalition shall be asked to nominate a number of individuals from which shall be chosen, if qualified, 4 representatives:

   a. Two retirees.

   b. One Active Duty family member.

   c. One other representative, as determined by the Military Coalition

2. National Military and Veteran's Alliance shall be asked to nominate a number of individuals from which shall be chosen, if qualified, 3 representatives:

   a. Two retirees.

   b. One Active Duty family member.

3. The ASD (HA) shall appoint two individuals who are qualified by training or experience and who are not federal employees (other than for purposes of service on any Federal Advisory Committee).

4. The ASD (HA) shall appoint a member of the staff of TRICARE Management Activity (TMA) who shall carry out the functions required by section 10 of the Federal Advisory Committee Act.

5. The ASD (HA) shall appoint one TRICARE network provider from each region.

6. The ASD (HA) shall appoint one Uniformed Services Family Health Plan (USFHP) physician or pharmacist.

7. The ASD (HA) shall appoint one representative for the TRICARE Retail Pharmacy (TRRx) contract.

8. The ASD (HA) shall appoint one representative for the TRICARE Mail Order Pharmacy (TMOP) contract.

D. PERIOD OF TIME REQUIRED

This charter will be valid for two years unless terminated earlier.

E. OFFICIAL OR SPONSORING PROPONENT TO WHOM THE COMMITTEE REPORTS

The panel shall report and submit its comments to the Secretary of Defense's designee, the Director, TMA.

F. COSTS

The estimated annual operating costs associated with supporting the panel's functions are estimated to be $127,325 the first year (inflation rate of 1.6 percent for subsequent years), including all direct and indirect expenses. It is estimated that 0.5 FTE will be required to support the panel. Members will serve without compensation; however, travel, per diem and subsistence will be paid in accordance with the Joint Travel Regulations.

G. SUPPORTING AGENCY

The TRICARE Management Activity will provide a contractor for administrative and related support of the panel.

H. NUMBER OF MEETINGS

It is anticipated the panel will meet at least four times per year lasting one day each time.

III. AGENDA & ROUTING OF MINUTES

The P&T Committee will establish a schedule for dissemination of the agenda and completion of the minutes. The final comments on the P&T minutes will be submitted to the Secretary of Defense's designee, the Director, TMA.

IV. DURATION OF CHARTER

The TMA Director will review this charter biennially from the date of approval.

V. DATE CHARTER IS FILED: July 26, 2004