

TRICARE AND OTHER LEGISLATIVE NOTES

Few things could be quite as important to our military retirees as the **TRICARE** or **MEDICARE** Programs. The Congressional Budget Office (CBO) recently released a number of potential cut backs that included cuts in this healthcare program – an action that is sending shockwaves across the military and veteran communities. There are sources saying that the current administration is most interested in Article 189 by the CBO. If approved by Congress this option would initiate cost sharing that would require retirees to pay the first \$525 of medical cost and 50% of the next \$4,725 for a first year cost of \$2,888 per person. A reason given for this action is "overuse" by Retirees. Among the other possible consequences could be the following:

- raising TRICARE fees for military retirees under age 65 to more than double the current rates.
- raising Medicare Part B premiums by 40 percent.
- raising standard deductibles for TRICARE
- authorization of a \$500 annual healthcare allowance for active duty families but charge 10% of the cost of care and add a fee for use of military hospitals and clinics.
- raising the Medicare eligibility age to 67
- Cut back on categories 7 and 8 (disabled veterans above certain income levels)

It really doesn't matter too much about details. What is important is that unless we make our Congressmen aware of the importance of these programs, it is only a matter of time before actions will be taken to take away our well earned benefits as a way of cost cutting during this time of financial crises. Thus, **I urge you to contact your elected officials**, and urge them to support and cosponsor actions that will result in unfair cost-shifting to those who have paid so much for our nation. In addition contacting members of the Senate and House Armed Service Committees is certainly recommended. Contacts may be easily made on the computer by visiting a number of veterans organization's websites. Usually a proposed letter or email will be offered that allows easy editing and quick preparation for making contact. Cutting back on our military and veterans community is not in keeping with the Economic Stimulus Package!

As the **Economic Stimulus Package** of near \$800B is being worked in Congress, there are numerous items of benefits for our community. This appears to include billions for DOD and VA. These projects include funding for construction of new barracks and near \$2B for renovation and repair of existing facilities. There should also be some \$400M for new Guard and Reserve construction. The Navy and Marine Corps would get \$350 million for construction of housing and child care centers, and the Air Force would get \$280 million.

VA meanwhile is expected to receive \$950M medical facilities. VA has identified a \$5R backlog in repairs that include energy efficiency projects at many medical facilities. VA cemeteries can expect as much as \$50M for monuments and memorial repairs.

Many other projects will be identified later for DOD and VA, but will be left in part for projects ready to be worked on.

If finalized at \$825B, the stimulus package may cost about \$2,700 per person in the US. This of course is only an add-on to the Troubled Assets Relief Program (TARP) that has already been passed.

The **Physical Disability Board of Review** (PDBR) is now accepting applications from veterans who were medically separated since Sept. 11, 2001 who wish to have their records reviewed for a possible increase in disability ratings and qualification for medical retirement. The board can consider applications from veterans who were or will be medically separated between September 11, 2001, and December 31, 2009 with disability ratings of 20% or less and not found eligible for retirement. By law, the PDBR will reassess whether an applicant's rating should be raised to possibly to 30% or higher, which would make the person eligible for military retired pay and TRICARE coverage for themselves and their dependents. The Board cannot lower a veteran's current disability rating.

DOD has established policy that will allow the services to expedite the **Disability Evaluation System** (DES) process for those who have suffered catastrophic injuries or illnesses from combat operations or combat-related operations – not for those disabled otherwise. However, the policy change also allows an expedited process on a case-by-case basis to catastrophically injured or ill members not combat-related. Those eligible will be given the choice to voluntarily waive DES and opt for immediate processing to the Permanent Disability Retirement List (PDRL) with a 100% disability rating.

Otherwise the **111th Congress** is working on a number of bills of interest to us. A listing as of January 30th is shown as an enclosure to this e-mail.