

STATEMENT OF THE MILITARY COALITION (TMC)

on

**PERSONNEL AND HEALTHCARE ISSUES AFFECTING THE
UNIFORMED SERVICES COMMUNITY**

Provided to the

**SENATE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON PERSONNEL**

Presented by

**Master Chief Joe Barnes, USN, (Ret.)
Fleet Reserve Association**

**Joyce W. Raezer
National Military Family Association**

**CMSGT James E. Lokovic, USAF, (Ret.)
Air Force Sergeants Association**

**MSG Michael P. Cline, USA, (Ret.)
Enlisted Association of the National Guard of the
United States**

**Susan M. Schwartz, DBA, RN
The Retired Officers Association**

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Master Chief Joe Barnes, USN, (Ret.)
Director of Legislative Programs
Fleet Reserve Association

Retired Navy Master Chief Joe Barnes is director of legislative programs for the Fleet Reserve Association (FRA) in Alexandria, VA. His responsibilities include communicating with Congress on military compensation, health care, and other benefit issues. Additional responsibilities include writing and presenting testimony, tracking legislation, and speaking at FRA legislative seminars. He also writes and edits legislative update columns for FRA publications.

He co-chairs The Military Coalition's (TMC's) Committee on Military Personnel, Compensation and Commissaries, and is a member of TMC's Retirement Issues and MWR/Military Construction Committees. He is also a member of the Defense Commissary Agency (DeCA) Retiree Council.

Prior to his present position, he was editor of *On Watch*, FRA's bimonthly publication distributed to Navy, Marine Corps, and Coast Guard personnel.

He speaks regularly to senior enlisted personnel and Sea Service retirees about quality of life and other legislative issues. He is also keynote speaker at retiree seminars throughout the United States.

Barnes is an accomplished writer/editor, special events coordinator and communications manager. He was public affairs director for the United States Navy Band in Washington, DC, and directed marketing and promotion efforts for extensive national concert tours, network radio and television appearances, and major special events in the nation's capital.

His awards include the Defense Meritorious Service and Navy Commendation Medals. He holds a bachelor's degree in education and a master's degree in public relations management from The American University, Washington, D.C. He's an accredited member of the International Association of Business Communicators (IABC), a member of the American Society of Association Executives (ASAE) and the American League of Lobbyists.

Barnes has served in a variety of volunteer leadership positions in community and school organizations.

He is married to the former Patricia Flaherty of Wichita, Kansas. The Barnes' have three daughters, Christina, Allison and Emily and reside in Fairfax, Virginia.

Joyce Wessel Raezer

Director, Government Relations

Joyce was promoted to Associate Director, Government Relations for the National Military Family Association in December 2000. An Association by-laws revision, effective December 2001, changed the position title to Director, Government Relations. Joyce started her volunteer work with NMFA in September 1995 and became Education Specialist in 1996. In February 1998, she was selected for the paid position of Senior Issues Specialist for the Association and was named Deputy Associate Director of the Government Relations Department in June 1999. Joyce monitors issues relevant to the quality of life of the families of the Uniformed Services and represents the Association at briefings and meetings of other organizations, Members of Congress and their staffs, and members of the Executive branch.

Joyce has represented military families on several committees and task forces for offices and agencies of the Department of Defense and military Services, including the Department of Defense Education Activity (DoDEA) and the TRICARE Management Activity (TMA). She has been a member of the Defense Commissary Agency (DeCA) Patron Council since February 2001, representing active duty family members. She is a member of the Army's Youth Education Working Group. Joyce serves on four committees of The Military Coalition and is co-chair of the Personnel, Compensation and Commissaries Committee. She served as a beneficiary representative, from September 1999 to December 2000, on a Congressionally mandated Federal Advisory Panel on DoD Health Care Quality Initiatives. She was a member of the planning committee for the national conference on Serving the Military Child held October 1998 in Arlington, VA. From June 1999 to June 2001, Joyce served on the first national Board of Directors for the Military Child Education Coalition.

Joyce was the 1997 recipient of NMFA's Margaret Vinson Hallgren Award for her advocacy on behalf of military families and the Association. She also received the "Champion for Children" award from the Military Impacted Schools Association in 1998.

A Maryland native, Joyce earned a B.A. in History from Gettysburg College, Gettysburg, Pennsylvania and a M.A. in History from the University of Virginia. An Army spouse of 19 years and mother of two children, she has lived in Washington, D.C. (3 tours), Virginia, Kentucky, and California. She is a former teacher and is an active volunteer school parent. She was elected to the Fort Knox (KY) Community Schools Board of Education in 1993 and served until August 1995. She currently serves on the PTA board for her daughter's school in Fairfax County, Virginia.



**CMSGT (RET.) JAMES E. LOKOVIC
DEPUTY EXECUTIVE DIRECTOR &
DIRECTOR, MILITARY & GOVERNMENT
RELATIONS
AIR FORCE SERGEANTS ASSOCIATION**

CMSGt (Ret.) James E. Lokovic is the Deputy Executive Director and Director of Military and Government Relations of the Air Force Sergeants Association (AFSA). Reporting to the Executive Director, he serves as AFSA's representative on legislative matters to the White House, Congress, DoD, Air Force, other government agencies, and other associations. In regularly testifying before Congress and as one of AFSA's registered lobbyists, he represents the active and retired enlisted members of all components of the Air Force on Capitol Hill, and is AFSA's primary liaison to the office of the Chief Master Sergeant of the Air Force. He has served with AFSA since his active duty military retirement in 1994.

During his 25-year Air Force career, Chief Lokovic's assignments included Okinawa, Japan; San Vito Dei Normanni, Italy (2 tours); Crete, Greece; Florida; Maryland; Texas (3 tours), and the Pentagon. His duties included all skill levels in the Morse and Non-Morse Systems career fields, service as a mission supervisor, operations superintendent, Unit OJT Manager, Unit Career Advisor, inspector for a Major Command (ESC) IG team, instructor and director of education at NCO Leadership School and NCO Academy levels, the functional manager for all Air Force First Sergeants, and finally as the Chief, USAF Enlisted Professional Military Education on the Air Staff.

Chief Lokovic was the top graduate (Levitow Award) at the ESC NCO Academy in San Angelo, Texas, and at the USAF Senior NCO Academy at Maxwell AFB, Gunter Annex. He is also a graduate of the Senior Non-Morse Analysis Course, Pensacola, Florida; and Academic Instructor School at Maxwell AFB, Alabama. His civilian education includes a Bachelor of Arts degree in Liberal Arts and associates degrees from the Community College of the Air Force in Communications Technology and in Instructional Systems Technology.

His decorations include the Meritorious Service Medal with three oak leaf clusters, the Air Force Commendation Medal, the Joint Service Commendation Medal and the Air Force Achievement Medal.

Chief Lokovic and his wife, Linda, reside in Waldorf, Maryland.



Biography of Master Sergeant
Michael P. Cline, USA (Ret)
Enlisted Association of the National Guard
of the United States

Retired Master Sergeant Michael P. Cline is the Executive Director of the Enlisted Association of the National Guard of the United States. His responsibilities include the day to day operation of the association's national headquarters in Alexandria, Virginia. He is also responsible for carrying out the association's legislative agenda which includes personnel issues, procurement and military construction issues. He regularly addresses enlisted members of the Army and Air National Guard regarding personnel and quality of life issues.

MSG Cline has been employed with EANGUS since 1990 and previously served on the EANGUS Executive Council. He currently serves as the Co-Chairman of the Military Coalition (TMC) and on the Board of Directors of the TMC. He also serves as a member of the Secretary of Veterans Affairs Advisory Committee on Education. MSG Cline is also a trustee on the Youth Challenge Foundation and the National Guard Association Insurance Trust.

Cline served 26 years in the U.S. Army and the National Guard, retiring in 1992 at the rank of Master Sergeant. He has numerous awards and decoration including two Meritorious Service Awards and the Defense Meritorious Service Award. He holds an Associates Degree in Business and a Bachelors Degree in Human Resources Management from Malone College. He is an accredited member of the American Society of Association Executives (ASAE), the American League of Lobbyists (ALL) and is listed in "Who's Who of Business Leaders" and is a distinguished member of "Who's Who Worldwide." Cline has been recognized by the Military Coalition "Award of Merit" and was made an honorary Chief Master Sergeant of the Air National Guard. He has served in a variety of volunteer positions in the community and is very active in POW/MIA issues. He is married to Diane L. Cline, a Master Sergeant in the D.C. Air National Guard; they reside in Triangle, Virginia. The Clines have seven children and 16 grandchildren. Their immediate family represents 76 years of military service to America.

**Biography of Sue Schwartz, DBA, RN
Deputy Director, Government Relations
The Retired Officers Association**

Sue Schwartz is Deputy Director of Government Relations, Health Affairs at The Retired Officers' Association (TROA) where she follows health care reform legislation and its potential impact on the military health services system and serves as co-chairman of the Military Coalition's Health Care Committee. In November 2000, Dr. Schwartz joined the staff at TROA after leaving the National Military Family Association (NMFA) as the Associate Director, Government Relations

Dr. Schwartz has over 19 years experience as a registered nurse in a variety of health care settings, holding positions of staff nurse, Operating Room Educator, Operating Room/Post Anesthesia Care Unit Director, and Quality Improvement Director. Her consultative experience with Allegiance Health Care, Inc., emphasized cost reduction through supply logistics and clinical activities reengineering. She is an adjunct faculty member at Central Michigan University, Mt Pleasant, MI. She currently serves as a commissioner on the President's Task Force to Improve Health Care Delivery for Our Nation's Veterans and is a member of the Office of the Secretary of Defense TRICARE Management Activity's TRICARE For Life Working Group.

Her simultaneous education preparation includes: DBA from NOVA Southeastern University, MBA from Auburn University, Montgomery, MSA from Central Michigan University, BS from Springfield College and ADN from Bristol Community College. Dr. Schwartz is a certified operating room nurse (CNOR) since 1989, receiving the Association of Perioperative Registered Nurses (AORN) scholarship awards in 1990, 1991, 1997 and 1998. In addition, she is a member of the American College of Health Care Executives (ACHE), the Academy of Management (ACM), and Beta Gamma Sigma, a national business honorary.

A spouse of an active duty Marine officer, she resides in Northern Virginia.

MISTER CHAIRMAN AND DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE. On behalf of The Military Coalition, a consortium of nationally prominent uniformed services and veterans organizations, we are grateful to the Subcommittee for this opportunity to express our views concerning issues affecting the uniformed services community. This testimony provides the collective views of the following military and veterans organizations, which represent approximately 5.5 million current and former members of the seven uniformed services, plus their families and survivors.

- Air Force Association
- Air Force Sergeants Association
- Air Force Women Officers Associated
- Army Aviation Association of America
- Association of Military Surgeons of the United States
- Association of the United States Army
- Chief Warrant Officer and Warrant Officer Association, U.S. Coast Guard
- Commissioned Officers Association of the U.S. Public Health Service, Inc.
- Enlisted Association of the National Guard of the United States
- Fleet Reserve Association
- Gold Star Wives of America, Inc.
- Jewish War Veterans of the United States of America
- Marine Corps League
- Marine Corps Reserve Officers Association
- Military Chaplains Association of the United States of America
- Military Order of the Purple Heart
- National Guard Association of the United States
- National Military Family Association
- National Order of Battlefield Commissions
- Naval Enlisted Reserve Association
- Naval Reserve Association
- Navy League of the United States
- Non Commissioned Officers Association
- Reserve Officers Association
- The Retired Enlisted Association
- The Retired Officers Association
- The Society of Medical Consultants to the Armed Forces
- United Armed Forces Association
- United States Army Warrant Officers Association
- United States Coast Guard Chief Petty Officers Association
- Veterans of Foreign Wars
- Veterans' Widows International Network

The Military Coalition, Inc., does not receive any grants or contracts from the federal government.

EXECUTIVE SUMMARY
RECOMMENDATIONS OF THE MILITARY COALITION
to the
Senate Subcommittee on Military Personnel

ACTIVE FORCE ISSUES

Personnel Strengths and Operations Tempo. The Military Coalition strongly recommends restoration of Service end strengths consistent with long-term sustainment of current deployments and fulfillment of national military strategy. The Coalition supports application of recruiting resources/voluntary recall policies as necessary to meet this requirement. The Coalition urges the Subcommittee to consider all possible manpower options to ease operational stresses on active, Reserve and National Guard personnel.

Pay Raise Comparability and Pay Table Reform. The Coalition urges the Subcommittee to restore full pay comparability on the quickest possible schedule, and to change the permanent law to eliminate annual pay caps as the statutory default. The Military Coalition believes all members need and deserve annual raises at least equal to private sector wage growth. To the extent targeted raises are needed, the Department of Defense needs to identify the ultimate “objective pay table” toward which the targeted raises are moving. Specific objectives for inter-grade relationships must be established, publicized, and understood, or members will perceive repeated differential raises as unfair.

Basic Allowance for Housing (BAH). The Military Coalition urges the Subcommittee to “front-load” as much of the remaining BAH upgrade as possible in FY2003, and to direct adjustments in grade-based housing standards to more adequately cover members’ current out-of-pocket housing expenses.

Basic Allowance for Subsistence (BAS). The Military Coalition urges the subcommittee to repeal the statutory provision limiting BAS eligibility to 12% of single members residing in government quarters. As a long-term goal, the Coalition supports extending full BAS eligibility to all single career enlisted members, beginning with the grade of E-6 and extending eligibility to lower grades as budgetary constraints allow.

Permanent Change of Station (PCS). The Military Coalition urges continued upgrades of permanent change-of-station reimbursement allowances in FY2003 to recognize that the government, not the servicemember, should be responsible for paying the cost of doing the government’s business.

Family Readiness and Support. The Military Coalition urges improved education and outreach programs and increased childcare availability to ensure a family readiness level

and a support structure that meets the requirements of increased force deployments for active, National Guard and Reserve members.

Commissaries. The Military Coalition opposes privatization of commissaries and strongly supports full funding of the benefit to sustain the current level of service for all commissary patrons.

NATIONAL GUARD AND RESERVE ISSUES

Support of Active Duty Operations. The Military Coalition urges continued attention to ensuring an appropriate match between National Guard and Reserve force strengths and missions. The Coalition further urges an evaluation of the Soldier's and Sailor's Civil Relief Act (SSCRA) for adequacy in today's environment, particularly as it applies to National Guard members activated by state Governors under Title 32, at the request of the President, in support of homeland defense missions.

Healthcare for Members of the National Guard and Reserve. The Military Coalition urges making the TRICARE medical program available for members of the National Guard Reserve Component and their families on a cost-sharing basis in order to ensure medical readiness and provide continuity of coverage to members of the Selected Reserve.

Selected Reserve Montgomery GI Bill (MGIB) Improvements. The Military Coalition recommends that the Reserve MGIB authority be transferred to Title 38 so that increases to the basic benefit can be more easily made, proportionally, in the Reserve program. The Coalition also supports extending the Reserve Montgomery GI Bill benefits usage period an additional five years after separation from the National Guard or Reserve.

Tax issues. The Military Coalition urges restoration of full tax-deductibility of non-reimbursable expenses related to military training. The Military Coalition urges authorization of tax credits for employers of National Guard and Reserve employees.

Retirement Credit for All Earned Drill Points. The Military Coalition recommends lifting the 90-point cap on the number of Inactive Duty Training (IDT) points earned in a year that may be credited for National Guard and Reserve retirement purposes.

Unlimited Commissary Access. The Military Coalition recommends doing away with the 24-visit access cards and extending unrestricted commissary access to members of the National Guard and Selected Reserve.

RETIREMENT ISSUES

Concurrent Receipt of Military Retired Pay and Veterans Disability Compensation. The Military Coalition urges Subcommittee leaders and members to voice their support of concurrent receipt to House and Senate leaders most strongly, to ensure authority and funding for substantive concurrent receipt relief in FY 2003.

Former Spouse Issues. The Military Coalition urges the Subcommittee to conduct hearings on needed USFSPA changes, both to gather all inputs needed for appropriate corrective legislation and to guard against inadvertently exacerbating current inequities via well-intended, piecemeal legislative action initiated outside the Subcommittee.

Involuntary Separation Pay. The Military Coalition urges reinstatement of involuntary separation pay eligibility for officers twice deferred from promotion who decline continuation to 20 years.

SURVIVOR PROGRAM ISSUES

Age 62 SBP Offset. The Military Coalition strongly recommends elimination of the age-62 Survivor Benefit Plan annuity reduction. To the extent that immediate implementation may be constrained by fiscal limitations, the Coalition urges enactment of a phased annuity increase as envisioned in S. 145 and H.R. 548.

30-Year Paid-Up SBP. The Military Coalition recommends accelerating the implementation date for the 30-year paid-up SBP initiative to October 1, 2003.

HEALTH CARE ISSUES

Provide Adequate Funding for the Defense Health Budget

The Military Coalition strongly recommends the Subcommittee continue its watchfulness to insure full funding of the Defense Health Program, to include military medical readiness, TRICARE, and the DoD peacetime health care mission

Legislative Adjustments to TFL

Claims Processing for Under 65 Medicare-Eligible Beneficiaries

The Coalition urges the Subcommittee to change the law to specify that all Medicare-eligible uniformed services beneficiaries, regardless of age or status (active duty dependents or retired beneficiaries), shall be entitled to the same TFL benefits, claims processing treatment, and benefits information notification currently afforded to Medicare-eligible beneficiaries over age 65.

Requirement for Prior Authorization for TFL Inpatient Mental Health

Hospitalization. The Coalition urges the Subcommittee to eliminate the requirement for prior authorization for inpatient mental health services for TFL beneficiaries when Medicare is the primary payer.

Medicare Part B Penalty. The Military Coalition recommends that individuals who attained age 65 prior to October 1, 2001, who would otherwise be subject to a Medicare Part B penalty, should have the option to decline enrollment in Medicare Part B, with TRICARE assuming first-payer responsibilities, as applicable, for such beneficiaries.

The Military Coalition urges the Subcommittee to eliminate the requirement to enroll in Medicare Part B for otherwise-eligible TFL beneficiaries who reside in foreign countries where Medicare benefits cannot be used.

Dual-Eligible DoD-VA Beneficiaries. The Coalition urges the Subcommittee to remain vigilant in its efforts to ensure that military retirees also eligible for VA care should not be forced to make an election between VA and DoD health care.

Improvements in TRICARE

The Military Coalition most strongly urges the Subcommittee to ensure aggressive action to implement existing authorities to raise reimbursements where necessary to attract adequate provider participation, to reduce administrative requirements for providers, and to take additional steps as necessary to ensure rapid implementation of electronic claims processing.

Coordination of Benefits and the 115% Billing Limit Under TRICARE Standard.

The Military Coalition strongly recommends that the Subcommittee direct DoD to eliminate the 115% billing limit when TRICARE Standard is second payer to other health insurance and to reinstate the "coordination of benefits" methodology.

TRICARE Prime Improvements. The Military Coalition urges the Subcommittee to expand TRICARE Prime Remote coverage to include active duty servicemembers family members who are unable to reside with the servicemember, and to instruct DoD to identify and counsel active duty, Reserve and Guard families in this situation. The Military Coalition recommends that Subcommittee authorize extension of TRICARE Prime Remote coverage to retirees and their family members and survivors at the same locations where it is established for active duty families.

Requirements for Nonavailability Statements under TRICARE Standard. The Military Coalition strongly recommends that all requirements for Nonavailability Statements be removed from the TRICARE Standard option and that all waivers be eliminated, effective upon enactment.

TRICARE Retiree Dental Plan. The Coalition requests that the government provide a subsidy for retiree dental benefits and provide an OCONUS retiree dental benefit.

Commonwealth of Puerto Rico CONUS Designation. In light of the large number of retiree beneficiaries residing in Puerto Rico and the importance of the Commonwealth as a source for recruitment and an initiative for retention, The Coalition urges the Subcommittee to support inclusion of the Commonwealth of Puerto Rico with the CONUS for TRICARE purposes.

Tax Relief for Uniformed Services Beneficiaries. The Coalition urges the Subcommittee to support HR 2125 to provide uniformed services beneficiaries a tax exemption for premiums paid for TRICARE Prime enrollment fees and Standard supplements.

Codify Requirement to Continue TRICARE Prime in BRAC areas. The Coalition urges the Subcommittee to amend Title 10 to require continuation of TRICARE Prime coverage for all uniformed services beneficiaries in BRAC areas.

Custodial Care. The Military Coalition recommends Congress provide continued oversight to assure that medically necessary care will be provided to all Custodial Care beneficiaries; that Congress direct a study to determine the impact of the new legislation upon all beneficiary classes and that Beneficiary Advisory Groups' inputs be sought in the development of implementing regulations.

Health Care Coverage for Reserve Component Members and Their Families. The Military Coalition urges the earliest possible action to ensure an adequate health coverage "safety net" for National Guard and Reserve members and families.

FEHBP-65 Demonstration. The Military Coalition urges the Subcommittee to work with its Government Reform Committee counterparts to authorize remaining FEHBP-65 demonstration enrollees to convert to regular FEHBP coverage.