Reserve Officers Association of the United States
One Constitution Avenue, NE, Washington, DC 20002-5655

Direct Line: (202) 646-7713
Toll-Free: (800) 809-9448 ext 713
www.roa.org – mhanson@roa.org

POSITION PAPER

LPP 11-14 February 2014

CONTINUITY OF HEALTH CARE: TRICARE FOR RESERVISTS

Requested Action:

The Reserve Officers Association **supports improving health care continuity to all drilling Reservists and their families**. While Transitional Assistance Management Program (TAMP) TRICARE and TRICARE Reserve Select (TRS) are good first steps, TRICARE is neither universally accepted nor accessible to everyone entitled.

Recent DoD policies on mobilization frequency of the Reserve and National Guard members set a goal of one year out of five. This will make continuity of health care even more important to Reserve Component (RC) members. ROA endorses enhancements to:

- Improve health care continuity to all drilling Reservists and their families by:
  - providing individuals an option of DoD paying a stipend toward employer's health care,
  - extending TRS coverage to mobilization ready IRR members; levels of subsidy would vary for different levels of readiness,
  - allowing demobilized Retirees and Reservists involuntarily returning to IRR to qualify for subsidized TRS coverage,
  - extending TRICARE coverage from the time of alert prior to mobilization,
  - allowing demobilized federal employees the option of TRS coverage.
- Fund restorative dental care prior to mobilization.
- Request a GAO Review of TRR premiums (see LPP 18-14)

Discussion

Reserve and Guard members experience problems when moving from their civilian health care to TRICARE while being deployed. They frequently must change physicians, which is extremely stressful for family members who require continuing care, such as a pregnant spouse or a family member who requires special care. Members and their families can also experience problems when returning to private healthcare insurance from TRICARE if there is a condition which began while in the TRICARE system.

Additionally, ROA views the military health care provided to retirees as an earned benefit. This is also a deferred incentive that encourages both Active and Reserve members to be retained. DoD health care inefficiencies and wartime expenses should not be a financial burden placed on these retirees. *ROA is grateful to Congress for the passage of TRICARE Standard coverage for Gray-area reservists* ***but hopes that the Armed Services Committees can request a review of premium levels.***

ROA supports extending this "earned benefit" to all members who merit it for serving during a contingency.

With an ever-increasing reliance on the deployment of Reserve and Guard members, members of

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Congress and DoD leadership have finally acknowledged that there is a need to provide TRICARE for Reservists outside of periods of recall or mobilization. Under TRS, serving members are carrying 28 percent of their health care costs. While TRICARE premiums have remained static, TRS premiums have been increased by DoD.

As RC members are being recalled from the IRR, and from "gray-area retirement," not everyone who has served in overseas contingency operations will have an opportunity to return to a SELRES status. Such communities as doctors and chaplains often are resident in the IRR because there are no SELRES billets available to them. Gray-area Reservists will be returning to that limbo between drill status and "paid" retirement, and are precluded from drilling in the SELRES.

Under current law, beneficiaries of the FEHBP are not eligible for the new TRICARE Reserve Select program as passed in the FY-2007 NDAA. Mobilized Reserve Component members employed by the federal government should be able to earn the option of the TRS as they could prior to the 2006 law change.

Retirees: The Department of Defense's health care costs have almost doubled over the past five years—from $19 billion in 2001 to over $50 billion annually. This increase has coincided with the ongoing combat overseas. The primary DoD focus of these increases has been on the military retiree who did not have a premium increase to medical and pharmaceutical coverage between1996 and 2010.

While now retired, these beneficiaries have accepted risks and made sacrifices in their earlier military careers that have not been asked of the remaining 99 percent of the nation's population. TRICARE fulfills an ongoing promise by the government for continued health care to those who have served or are serving.

It should also be noted that from FY 2011 through 2013 that the Pentagon has had hundreds of millions of surplus dollars from its health care budget, which they have asked Congress to reprogram into other programs. The retiree beneficiary has reduced costs, without DoD leadership acknowledging the fact.

While ROA is open to discussions of cost sharing, it is concerned that DoD is redefining the risk community to shift a higher burden of cost onto older retirees. Military health care costs need to be examined, breaking out the cost of older retirees and health care costs need to be examined, separating the cost of treatment to warfighters. Additionally, efficiencies need to be assessed as well, applying good business practices when evaluating health care costs.

The Reserve Officers Association is concerned that the Department of Defense Health Affairs attempts to address such an emotionally laden issue unilaterally. Beneficiary associations need to remain involved, and Congress needs to maintain vigilant oversight.

ROA would like to thank Congress for its continued involvement and leadership on DoD health care initiative, and by extending TRS coverage for those Selected Reservists forced out of pay.