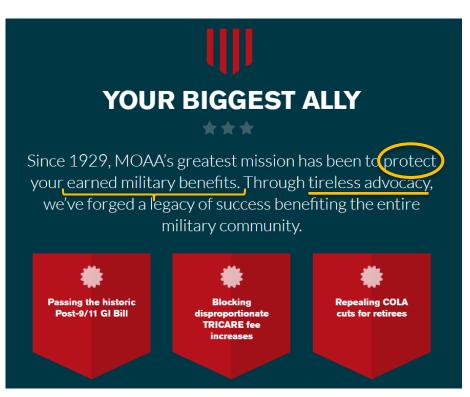
Legislative Update on Military and Veterans Benefits

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CAPT, USN (Ret)
Program Director, Finance and Benefits Information
MOAA Transition Center



MOAA = Advocacy for All Ranks

When earned pay and benefits are threatened, MOAA stands ready to protect and defend <u>all ranks</u> of all eight uniformed services present, past and future.



- Military Compensation
- Concurrent Receipt
- ❖ SBP/DIC
- **❖** TRICARE fees
- VeteranHealthcare





Never Stop Serving

MOAA operates two charity subsidiaries to help military and veteran families enjoy a quality of life they have earned through their service.



- ✓ Career Transition
- Military Spouse Professional Development
- ✓ Professional Education Outreach
- ✓ Community Outreach & Emergency Relief
- Active duty
- Reserve & National Guard
- Retirees





- 100% of your donation goes to a student
- \$160M to 16,000 students
- 2021-2022: 1,100+ students awarded \$8M
 - Veterans
 - Military Spouses & Families
 - Extended Military Community

To learn more and to join the efforts, visit www.moaa.org/donate



The Military Coalition



MOAA-VP AAAA COA **TREA USAWOA-P AFA CWOA MOPH USCGPOA-T AFSA** FRA-VP **NERA**

AMSUS VFW GSW NCOA

NMFA-VP AMVETS IAVA **VVA**

VETS FIRST AUSA JWV ROA

AUSN WWP MCA **SWAN**

BSF TAPS MCRA BVA TIF

MCL

35 Organizations—5.5 million strong **Highlighted TMC Leadership**

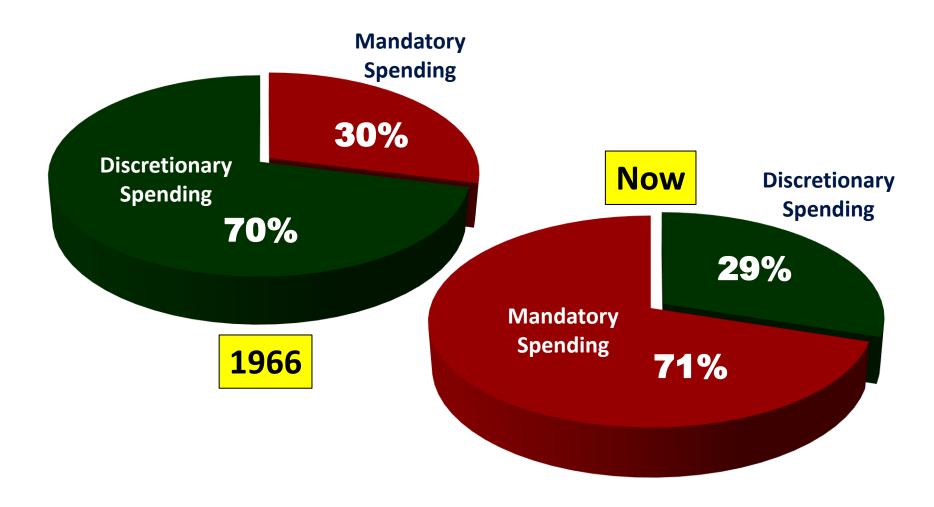
Source: The Military Coalition



The Legislative Big Picture



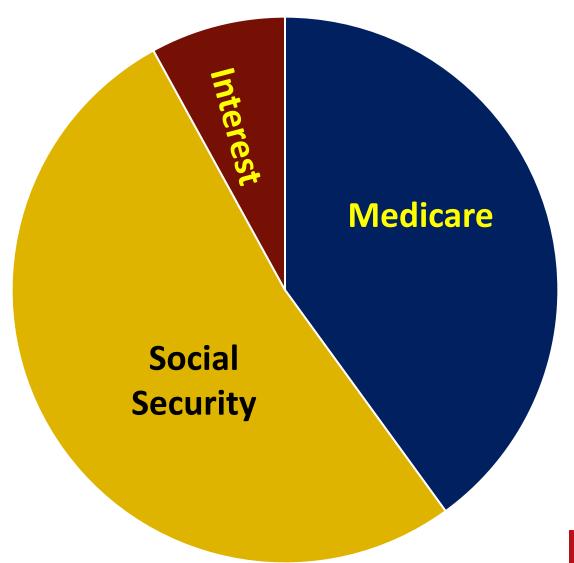
Where the Fed Money Goes



"Discretionary spending now makes up only about a third of the federal budget, with the remaining two-thirds coming from entitlement programs and other "mandatory" spending, according to figures from the **House Budget Committee**. And it wasn't always so. In 1966, those ratios were almost precisely reversed, with entitlement money making up just a third of the budget, committee figures show." Congressional Quarterly 5Feb16 "Evading the Elephant" Numbers from OMB, @Federal-Budget.insidegov.com and Congressional Research Service, "Mandatory Spending Since 1962." March 2015.

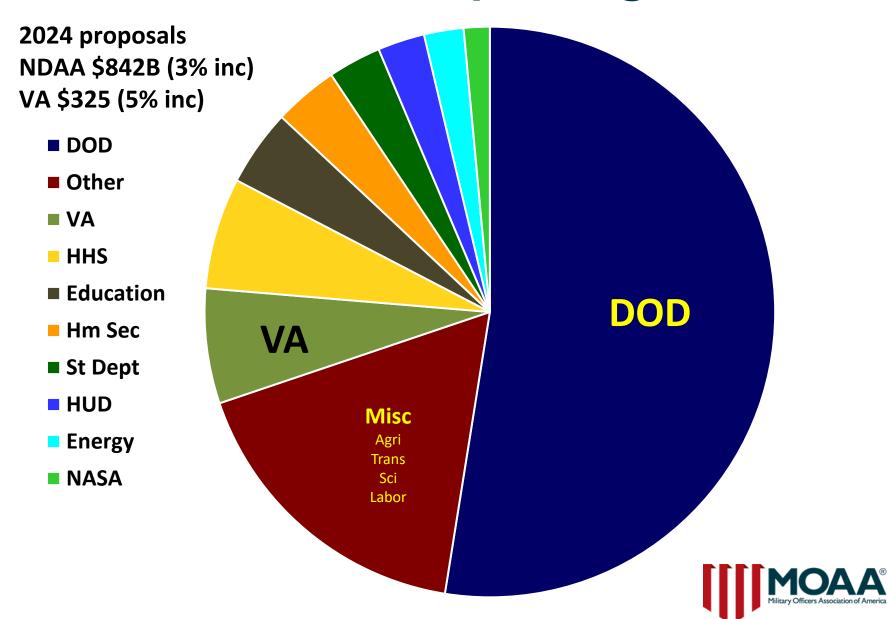


Mandatory Spending





Discretionary Budget



The Political Environment

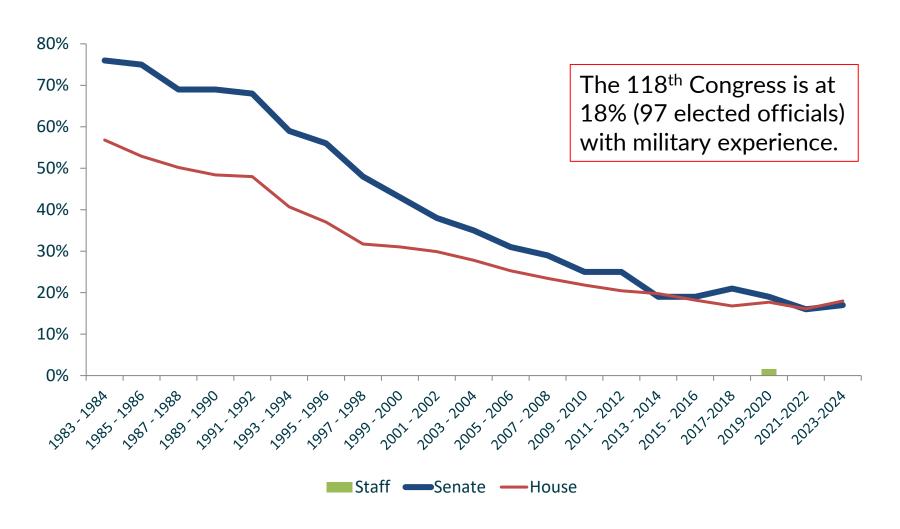
- Trillions spent for virus issues and economy
- Deficit and Debt
- Inflation
- Crime
- Police reforms
- Social unrest



DoD Environment

- Flat DoD budgets in the future will require tough prioritization (Year-long CR is a threat)
- Pivot from Contingency Operations to near-peer conventional threats requires significant modernization and funding
- Planned cuts to Military Health System difficult to reconcile with COVID lessons learned (on hold for 5 yrs/2023 NDAA)
- Congress desires to reduce entitlement costs
- Sexual assault and privatized housing scandals
- Suicide rates are moving in the wrong direction
- Each fiscal year, for the last 27 years, has started either under a CR or a government shutdown

Military Experience in Congress

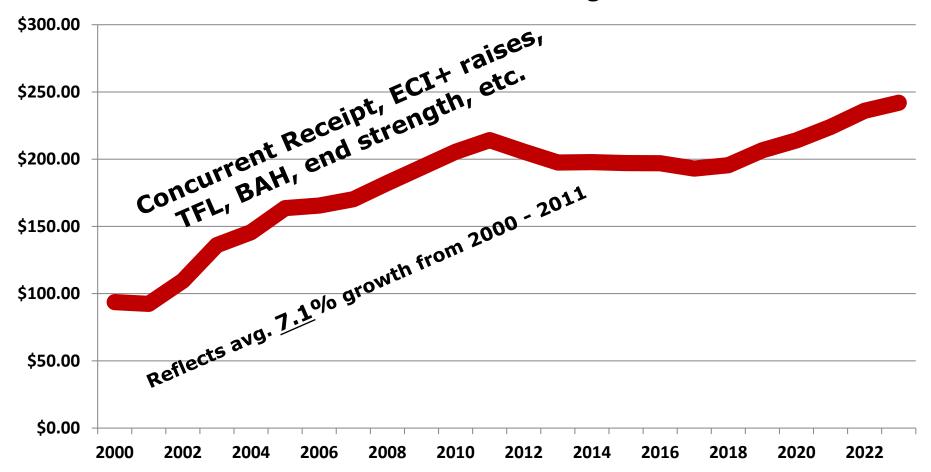


Sources: Military Times, Pew, and HillVets



DOD Personnel-Health Care Expense

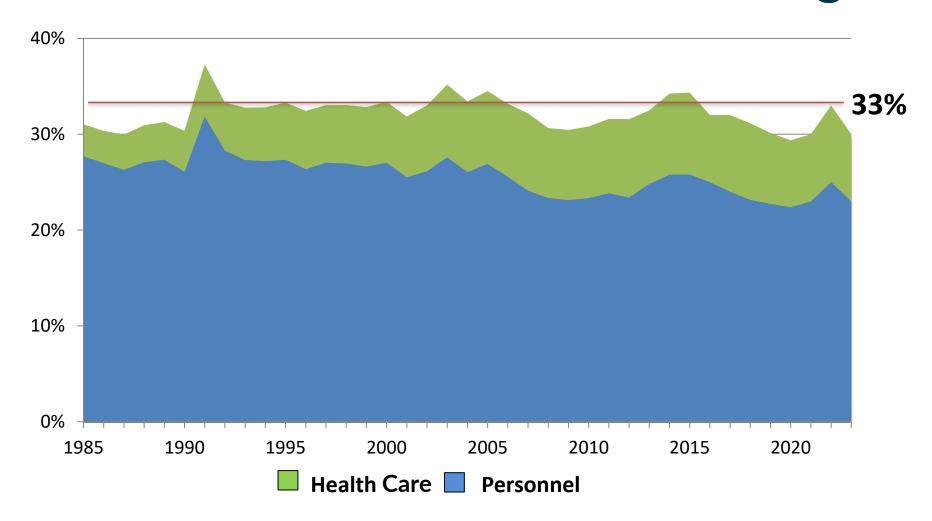
Defense Personnel and Health Programs







Personnel Costs as % of DoD Budget



For decades, on average, less than one-third of the defense budget (under subtotal of "DoD-Military") went to military personnel and health care costs. Sources:

Table 3.2 Outlays by Function: https://www.whitehouse.gov/omb/historical-tables/
Table 15.1 Total Outlays for Health Programs – same link as above



FY 2023/2024 Legislative Priorities



Compensation and Service Earned Benefits

Problem:

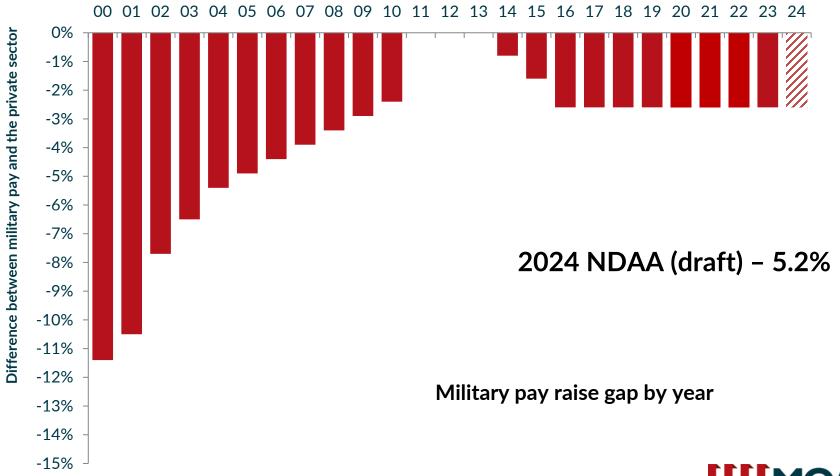
 DOD is in a war for talent and struggling to recruit the force we need to defend our country.

- Ensure Pay at or above ECI and ensure all allowances and programs necessary to recruit and retain a quality force.
- Ensure pay continues for all eight uniformed services during a gov't shutdown.
- Provide for concurrent receipt of military retired pay from DOD and disability pay from the VA.



Military Pay Steady but Behind

After years of hard work by MOAA and Congress to eliminate the 1999 13.5% pay gap, military pay raises once again edged into the negative territory currently projected at a 2.6% gap behind the private sector for 2021.





Military Housing

Problem:

The Basic Allowance for Housing (BAH) is designed to cover 95% of housing costs, a steady drop from 100% that took place between 2015 to 2019. This left military families to cover anywhere from \$100 to \$184 out of pocket each month – significantly impacts the junior enlisted force.

- Restore BAH at 100% of researched housing costs per Military Housing Area.
- Ensure barracks are safe and healthy places to live, verified by the chain of command and government-owned work centers.
- Codify procedures and authorities to increase out-of-cycle housing allowances to address emergencies such as reduced availability of housing and rising utility costs.



Health Care for Currently Serving and Retirees

Problems:

- The military health care benefit is at risk. TRICARE beneficiaries are paying more for prescription drugs while the value of the TRICARE Pharmacy Program has been slashed via a growing list of non-covered drugs, more restrictive priorauthorization policies that are out of step with best practices, and a 25% reduction to the retail pharmacy network.
- Military health system (MHS) reforms directed by Congress have resulted in higher fees and copays, particularly for working-age retirees, yet TRICARE coverage policies have failed to keep up with evolving policies, technologies, and treatment protocols. Beneficiaries are paying more for TRICARE coverage that is years behind commercial plan benchmarks.
- The direct care system of military hospitals and clinics has undergone a massive reorganization accompanied by changing policies at the MTF level and capacity reductions due to the MHS Genesis electronic health record implementation yet there is minimal visibility on impacts to patient access, quality of care, and the patient experience.

Health Care for Currently Serving and Retirees

- Reverse cuts to the pharmacy benefit and establish policy guardrails to ensure access to prescription medications and limits on copay increases.
- Fix the TRICARE Young Adult parity issue by extending eligibility to dependents up to age 26 with no separate premium to bring TRICARE on par with requirements for commercial health plans under the Affordable Care Act.
- Require DOD to establish a transparent and well-published problem reporting system for beneficiaries experiencing MTF access challenges, including an annual report to Congress on the number and types of beneficiary access problem reports by MTF and steps taken by the Defense Health Agency to identify and address systemic access problems.



Health Care and Benefits for Veterans

Problems:

- Passing the comprehensive toxic exposure reform bill PACT Act was a monumental victory. Now comes the hard part of ensuring it works as Congress intended.
- Veterans rely on long-term and home- and community-based care services for everything from occasional help around the house to around-the-clock assistance. The VA delivers 14 different types of long term care (LTC) programs in both institutional and non-institutional settings. Purchasing or providing the care is placing increased demand on the department's health care system.
- VA has designated 2023 as the "Year of the Caregiver," with plans to focus on continuing to implement the expansion of the caregiver support in the Mission Act, conducting a program review, and making systemwide improvements, to include appeals.
- A strong VA workforce and facility infrastructure are critical components to VA's long-term success. The aging infrastructure and high level of vacancies put the success of bills like the PACT Act and caregiver programs at risk.



Health Care and Benefits for Veterans

- Monitor recent major legislation enacted such as the PACT Act in the areas of health care, compensation, and follow-on support for surviving spouses and families, and seek statutory or policy changes as required.
- Compel Congress and the VA to accelerate caregiving and whole health care services, and modernization of Veterans Health Administration workforce and facility infrastructure to improve veterans access to high quality care.



Service Families

Problems:

- Spouses struggle with employment across the board and are constantly fighting to find and maintain employment through PCS moves.
- Spouse underemployment continues to negatively impact military families. Ensuring companies define work as both remote AND portable is necessary to allow military spouses to keep a career on the move and progress within their career path.
- Lack of accessible, affordable childcare compounds this issue. In 2020, DOD reported nearly 9,000 military children were on waiting lists for childcare.
- DOD instituted a unique program, the In-Home Child Care Fee Assistance program. There were 250 spots available, but because of a lack of understanding of the program just 23 families used it in 2022.



Service Families

- Improve congressional support for uniformed services families: enhance programs to support spouse employment, ensure implementation of an effective basic needs allowance, and provide accessible, affordable childcare options.
- Overcome the lack of effective problem-solving reporting mechanisms and resolution systems in the Military Health System.



Survivors

Problems:

- When a retired servicemember passes, DFAS recoups their last month of retirement pay. This is frequently a terrible surprise for a new survivor and adds unnecessary financial stress to a grieving widow/widower.
- SGLI/VGLI have not kept up with inflation. Although recently increased to as much as \$500K, it is still more than \$100K behind where is should be.
- DIC also has fallen behind the levels of other federal survivor programs. DIC is 43% of compensation of a 100% disabled veteran, compared with 55% of other federal programs.

- Repeal the recoupment of last month's paycheck after retiree's passing.
- Continue to improve SGLI/VGLI updates to match inflation.
- Improve DIC baseline to align with other government entitlements' baseline of
 55%

Guard and Reserve

Problems:

- The reserve component is facing a recruiting crisis. Our nation relies upon thes
 servicemembers to respond to disasters at home and remain in the rotation to
 deploy worldwide in support of the active component. Members of the National
 Guard and Reserve must sustain their readiness, and medical care is required to keep
 the force deployable and support recruiting and retention.
- Reserve component retirees also wait excessively long to receive their first paychecks. After a career of service, retirees deserve prompt payments. DFAS and service personnel divisions must stop the finger pointing and seek to fix this problem.

- Overcome the lack of TRICARE coverage for the reserve component to maintain readiness.
- Overcome delayed pay for Guard and Reserve members when they are promoted or when they retire.
- Continue to support Guard and Reserve leaders, and advance legislative and policy solutions to support the total force.

Advocacy in Action Campaign

Each Spring, MOAA Councils and Chapters, with support from the National Headquarters, bring specific, high priority legislative actions to every member of Congress

This year's campaign is focused on the overarching theme to

Support the All-Volunteer Force

- Pay Full Housing Costs for Servicemembers
- Restore the TRICARE Pharmacy Network



Review Recent Developments/Changes



What happens with every new Congress?

- CBO is asked How can Govt reduce spending?
- CBO opens their filing cabinets and pulls out previous ideas on military benefits:
 - Increase TRICARE fees, institute TFL enrollment fees, eliminate concurrent receipt, end IU at retirement age, etc.
- This year they proposed a new and contentious idea:
 - Means test VA disability compensation reduce compensation for veterans making over a set amount or make disability compensation taxable.
- MOAA and The Military Coalition remain steadfast to fight these "tired" and newly outrageous proposals.

Arlington National Cemetery

- DOD administers 2 cemeteries, VA runs 155, but only DOD can provide the honors equivalent to ANC.
- 2020 Changes for internment (burial) eligibility were proposed in response to Congressional direction to extend ANC's life "well into the future."
- Those proposed changes would exclude most veterans and retirees from burial.
- The southern expansion project (Old Navy Annex) extends ANC's life for at least 40 years with current eligibility standards.
- SUPPORT H.R. 1413 "Expanding America's National Cemetery Act"
 - Authorizes DOD and the VA to transform an existing VA run national cemetery into the nation's next National Cemetery
 - VA will administratively run the facility and DOD will provide ceremonial support
 - Recommends maintaining current ANC eligibility until the next location is designated and operational

MOAA's Legislative Action Center



Action Center Tutorial

Return to MOAA.org

Sign Up

Write









Active Legislative Campaigns

Help MOAA Fight Cuts to the TRICARE Pharmacy Network

Urge Your Legislators to Pay Full Housing Costs for Servicemembers

MOAA seeks to restore the Basic Allowance for Housing (BAH) to 100%. Our nation expects 100% from servicemembers and we need to ensure they get 100% of their housing allowance by supporting BAH restoration.

Contact Your Legislators and Urge Them to Support the All-Volunteer Force
This year is the 50th anniversary of the all-volunteer force (AVF) and it should be a celebration, not a recruiting crisis.

Urge Your Elected Officials to Fix the TRICARE Young Adult Coverage Gap

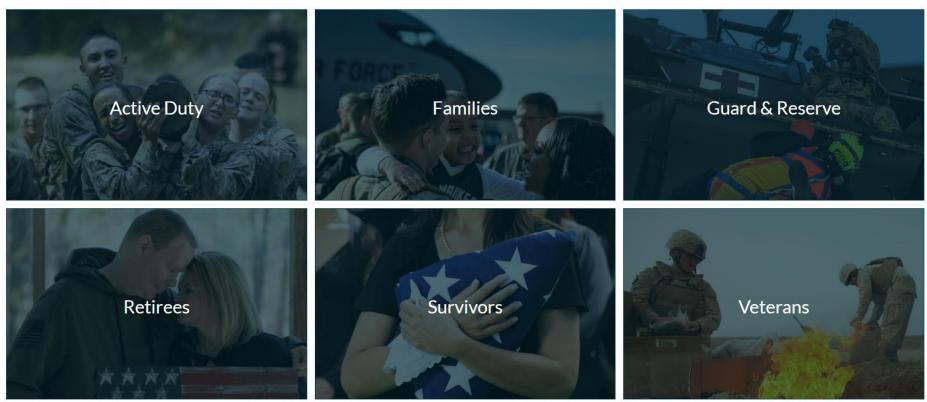
Chara Vour Stany Impact of TDIC ADE Dharmon Maturals Changes

This bill would expand TRICARE eligibility to young adult dependents up to age 26, bringing TRICARE in line with commercial plan requirements.



MOAA's Legislative Action Center

Key Advocacy Issues





MOAA's Legislative Action Center



Action Center Tutorial Return to MOAA.org Sign Up

MOAA-Supported Legislation

MOAA's experts in Washington are constantly reviewing and assessing any and all legislation that may impact the earned pay, benefits, and support programs of the uniformed services and veteran communities. The organization's endorsement process is deliberative; <math display="block">MOAA's experts in Washington are constantly reviewing and assessing any and all legislation that may impact the earned pay, benefits, and support programs of the uniformed services and veteran communities. The organization's endorsement process is deliberative; <math display="block">MOAA's experts in Washington are constantly reviewing and assessing any and all legislation that may impact the earned pay, benefits, and support programs of the uniformed services and veteran communities. The organization's endorsement process is deliberative; <math display="block">MOAA's experts in Washington are constantly reviewing and assessing any and all legislation that may impact the earned pay, benefits, and support programs of the uniform that may impact the earned pay, benefits, and support programs of the uniform that may impact the earned pay, benefits, and support programs of the uniform that may impact the earned pay in the earned pawill not support or oppose any legislation without a thorough review of its potential effects, positive or negative.

With the start of a new Congress, this means that the list of bills below will be blank at the start of the 118th Congress; any bill that was not signed into law before the end of the 117th Congress will need to be re-introduced. MOAA will need time to assess new and old legislation as it is introduced by lawmakers. Check back in soon to see what bills MOAA supports in the 118th Congress.

MOAA-Supported Legislation					
Search by title Q					
c	Bill	Last Timeline Action Date	Last Timeline Action	Number of Cosponsors JF ®	Source Link
1	H.R. 1282: Major Richard Star Act	06/21/2023	Committee Consideration and Mark-up Session Held	325	External Link 🗗
2	H.R. 1139: GUARD VA Benefits Act	03/29/2023	Subcommittee Hearings Held.	116	External Link 🗗
3	H.R. 1277: Military Spouse Hiring Act	03/01/2023	Introduced in House	94	External Link 🗗
4	H.R. 1045: To amend title 10, United States Code, to improve dependent coverage under the TRICARE Young Adult Program.	02/14/2023	Introduced in House	69	External Link ☑*
5	S. 344: Major Richard Star Act	02/09/2023	Introduced in Senate	67	External Link 🗗
6	H.R. 542: Elizabeth Dole Home Care Act of 2023	03/29/2023	Subcommittee Hearings Held.	56	External Link ☑*
7	H.R. 1413: Expanding America's National Cemetery Act of 2023	03/30/2023	Referred to the Subcommittee on Disability Assistance and Memorial Affairs.	54	External Link 🗗
8	H.R. 2537: BAH Restoration Act	04/06/2023	Introduced in House	53	External Link 🗗
9	H.R. 1083: Caring for Survivors Act of 2023	03/20/2023	Referred to the Subcommittee on Disability Assistance and Memorial Affairs.	41	External Link 🗗
10	S. 596: Military Spouse Hiring Act	03/01/2023	Introduced in Senate	35	External Link ☑
11	H.R. 3617: To amend title 10, United States Code, to expand the authority to	05/23/2023	Introduced in House	24	Evternal Link (7)



COLA Watch

The Backstory

Why does MOAA track the monthly CPI-W release? Protecting the value of service-earned benefits has long been a pillar of MOAA's advocacy. MOAA has led previous efforts to rebuff budget plans seeking to reduce or eliminate COLA for military retirees, many of which have taken root shortly after large increases.

The nature of a higher COLA is to preserve purchasing power for retirees, VA beneficiaries, and surviving spouses – not to fund other government programs.

[JOIN THE FIGHT: Visit MOAA's Legislative Action Center]

The Chart





Military Officers Association of America WWW.MOAA.ORG

Please contact your elected representatives
Strength comes in numbers
Your single voice does matter

Join MOAA at MOAA.org

