



STATEMENT OF

THE MILITARY COALITION (TMC)

for the

**HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON PERSONNEL**

Concerning

**Uniformed Services Personnel, Healthcare, and Compensation Matters
April 14, 2021**

MADAM CHAIRWOMAN, MR. RANKING MEMBER, AND DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE, The Military Coalition (TMC), a consortium of nationally prominent uniformed services and veterans' organizations, is grateful to the committee for this opportunity to express our views concerning personnel and compensation issues affecting the uniformed services community. This statement provides the collective views of the following military and veterans' organizations, which represent approximately 5.5 million current and former members of the eight uniformed services, plus their families and survivors.

The Military Coalition:

Army Aviation Association of America (AAAA)
Air Force Association (AFA)
Air Force Sergeants Association (AFSA)
Association of Military Surgeons of the United States (AMSUS)
Association of the United States Army (AUSA)
Blinded Veterans Association (BVA)
Chief Warrant Officers Association of the US Coast Guard (CWOA)
Commissioned Officers Association of the U.S. Public Health Service, Inc. (COA)
Enlisted Association of the National Guard of the United States (EANGUS)
Fleet Reserve Association (FRA)
Gold Star Wives of America (GSW)
Iraq Afghanistan Veterans Association (IAVA)
Jewish War Veterans of the United States of America (JWV)
Marine Corps League (MCL)
Marine Corps Reserve Association (MCRA)
Military Chaplains Association of the United States of America (MCA)
Military Officers Association of America (MOAA)
Military Order of the Purple Heart (MOPH)
National Guard Association of the United States (NGAUS)
National Military Family Association (NMFA)
Naval Enlisted Reserve Association (NERA)
Non Commissioned Officers Association (NCOA)
Reserve Organization of America (ROA)
Tragedy Assistance Program for Survivors (TAPS)
The Retired Enlisted Association (TREA)
The Independence Fund (TIF)
United States Army Warrant Officers Association (USAWOA)
USCG Chief Petty Officers Association (CPOA)
Veterans of Foreign Wars (VFW)
VetsFirst, United Spinal Association
Wounded Warrior Project (WWP)

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

Continuing Resolutions

TMC thanks the Congress and the Personnel Subcommittee for your efforts in recent years to overcome the arbitrary budget caps – the product of sequestration legislation – in favor of a more responsible approach to funding national defense, to include the requirements for our military personnel, their families, Defense Department civilians, and other critical programs. In addition, continuing resolutions cause budget instability and degrade readiness for the Armed Forces. Thus, we begin our set of recommendations for the Subcommittees with an overarching request for an on-time National Defense Authorization Act and on-time appropriations for Defense and Military Construction and Veterans Affairs.

Currently Serving Issues

Military Force Levels

TMC urges the Subcommittee to sustain needed personnel strengths in both active and reserve components and to ensure associated funding for approved force levels to meet national security strategy requirements, requisite training, and dwell-time needs. The Coalition thanks the Subcommittee for its attention in this area, as demonstrated in previous National Defense Authorization Acts (NDAAs).

Uniformed Services Pay Raise

TMC appreciates the Subcommittee's commitment in recent years to keep uniformed services pay increases commensurate with service, and aligned with private sector wage increases as determined by the Bureau of Labor Statistics through their Employment Cost Index (ECI) – currently 2.7 percent for FY 2022 (as reported in October 2020). We request the Subcommittee's support for this military pay raise, and seek full restoration of previously capped pay raises resulting in a cumulative gap of 2.6 percent.

Basic Allowance for Housing

Basic Allowance for Housing (BAH) is an essential component of regular military compensation and is applicable to all eight of the uniformed services. TMC applauds Congress' action to protect BAH in recent years. The Coalition urges the Subcommittee to continue sustaining current applicable BAH calculations for all service members and endeavor to restore BAH rates to match 100 percent of median housing costs, thus eliminating the 5 percent out-of-pocket costs to the service members and their families. This is especially important with rising housing costs since the pandemic.

Sexual Harassment and Assault Prevention

We want to thank Congress for continuing to focus on eliminating sexual assault and harassment. TMC requests Congress to:

- Monitor the operations, findings and recommendations of the Independent Review Commission on Sexual Assault.
- Continue to support enhanced survivor protections, policies and laws that protect survivors from reprisal and retribution.
- Establish a 90-day time standard to complete investigations, administrative actions, and judicial procedures to ensure timely resolution of sexual harassment and assault allegations with the appropriate medical, legal and investigative resources to meet that standard.

- Facilitate cultural change across the uniformed services to end sexual harassment, sexual assault and sexism.

Retirement Issues

Concurrent Receipt

TMC Supports legislation authorizing the immediate payment of *full* military retired pay based on rank and length of service, in addition to veterans' disability compensation for service-earned disabilities. Concurrent receipt refers to the simultaneous receipt of two types of monetary benefits: military retired pay from the DoD, and disability compensation from the Department of Veterans Affairs. There are two types of disability payments:

1) Combat-Related Special Compensation (CRSC): paid to military retirees who have a combat-related disability and ***do not have their military retired pay reduced in order to receive VA disability compensation.***

2) Concurrent Retirement and Disability Pay (CRDP): military retirees with 20 or more years of service and a 50 percent or higher service-connected disability rating have concurrent receipt. All CRDP ***medically retired with less than 20 years of service (Chapter 61) are not eligible for concurrent receipt.***

The Coalition strongly supports the enactment of legislation that authorizes comprehensive expansion of concurrent receipt of uniformed services retired pay and VA disability compensation, by expanding Concurrent Retirement and Disability Payments (CRDP) to beneficiaries with 20 or more years of service with less than 50 percent disability rating and all those medically retired with less than 20 years of service (Chapter 61), none of whom are currently eligible for concurrent receipt.

As such, the Coalition urges Congress to immediately pass the **Major Richard Star Act of 2021, S. 334 / H.R.1282**, that would ensure 42,000 retirees whose military careers were cut short due to combat-related injuries can collect both their service-earned retirement, albeit reduced due to length of service through no fault of their own, as well as any disability compensation from the VA.

Allow Survivors of Retirees to Draw Full Month's Retired Pay for Month in Which Retirees Die

TMC supports legislation to allow survivors a full month's pay for the month the retiree dies. Currently the Defense Finance Accounting Service (DFAS) recovers the paid retirement annuity in the month the retiree died and later pays a final settlement for the number of days in the same month the retiree was alive. This often creates hardships for survivors who must wait several months for the Survivor Benefit Plan (SBP) benefits to be started by DFAS. This is why TMC supports the "Military Retiree Survivor Comfort Act," which would authorize the retention of the full final month's retired pay by the surviving spouse (or other designated survivor) for the month in which the member was alive for at least 24 hours. (H.R. 2214)

Repeal 180-day Delay for Retirees

TMC supports a permanent repealing of the 180-day delay for retirees applying for DoD civilian positions GS-13 and below. We thank Congress for provisions in the FY 2021 NDAA, permitting the appointment of retirees – to civilian DoD positions of GS-13 and below – without a 180 delay, to military depots only.

This provision expires in three years, and TMC urges Congress to eliminate both the sunset provision and the limitation of appointments to only military depots.

Retired Pay Cost of Living Adjustments (COLA)

TMC urges the Subcommittee to oppose the adoption of a chained Consumer Price Index (C-CPI) computation or any other COLA reductions which would devalue retired service and over time, reduce purchasing power of retired pay, survivor benefits, and disability compensation.

Guard and Reserve Issues

Health Care

Where once healthcare was considered a benefit for service members, it is now a requirement for service. When the Gulf War started it quickly became apparent that National Guard and Reserve service members could not deploy, because they did not meet medical requirements. Congress responded with a premium-based TRICARE plan for certain Reserve Component (RC) members and then expanded it to take effect for all RC service members with funding slated for FY 2030. Though this is a step in the right direction, it does not solve the problem of healthcare lapses, which occur when multiple duty statuses are used for service. A perfect example of this was when National Guard service members were recently exposed to COVID-19 infected individuals on state active duty orders – while in the line of duty – and yet not all were qualified for TRICARE, post-activation. To account for the necessary coverage for those who serve, we urge Congress to:

- Expand TRICARE eligibility to National Guard and Reserve members at no cost, regardless of duty status, because medical readiness is a requirement for service -- **not** a benefit.
- Expand Tricare Reserve Select (TRS) for USPHS Ready Reserve regardless of duty status by replacing the term “Selected Reserve” with “Uniformed Services.” ([10 USC 1076d\(a\)](#))
- For federal employees who are Ready Reservists, fund TRS in FY 2022 rather than the delayed funding slated in FY 2030 ([10 USC 1076d](#)).
- Provide TRICARE for early retirement (age 50-60) service members concurrently with receipt of their retirement pay consistent with age 60 Retired Reserve members. (S.829 and HR 1997)

TMC recommends additional funding be authorized and appropriated to enable these important readiness, recruiting and retention related benefits for the National Guard and Reserve.

Retirement

A major recruiting and retention incentive is the guarantee of a retirement after 20 years of service; something many civilian companies do not offer. As the RCs have become a larger contributing force for national security – at home and abroad – we must ensure their service qualifies for retirement credit. In 2008, Congress recognized that increased reliance on the National Guard and Reserve meant that they were losing 401K contributions with their civilian employers, so they passed early age retirement effective January 8, 2008. While many of the early Iraq-deployed service members separated before becoming retirement eligible, those who remain in service deserve to have their deployments from September 11, 2001 count toward early retirement.

Also, if RC members complete inactive duty training (IDT) they should not face arbitrary limits on what counts toward retirement. Finally, Coast Guard and Public Health retirees should not be caught in the middle if a budget does not pass.

To address these retirement issues we ask Congress to:

- Expand the National Guard and Reserve early retirement age service eligibility from January 8, 2008, retroactive to September 11, 2001. ([10 USC 12731](#))
- Eliminate annual limits on IDT so all are creditable for retirement. (10 U.S.C. various provisions)
- Change the Coast Guard and Public Health Service retirement account to an accrual account, in the same manner as DoD manages their retirement pay. ([10 USC 1463\(a\)](#), [1465](#), [1466](#))

Pay

Just as with retirement credit, because National Guard and Reserve members train for the mission, deploy for national security, and meet ***precisely the same military standards as active duty counterparts***, they should get paid at the same rate for special and incentive pays, to include housing. Therefore, we ask Congress to:

- Provide parity for the Reserve Components, in alignment with the Active Component, in special pay and incentive pay, regardless of RC duty status. ([37 USC, Subchapter I](#))
- Eliminate Basic Allowance for Housing (BAH II) for Reserve Component/Transient (RC/T) and provide full BAH prorated for any active duty service performed by the RC. ([37 USC 403\(g\)\(5\)](#))

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Survivor Issues

Survivor Benefit Plan Open Enrollment

After almost two decades of advocacy, we are gratified Congress finally eliminated the Dependency and Indemnity Compensation (DIC) offset to the Survivor Benefit Plan (SBP).

When the Social Security offset to the SBP was eliminated in the FY 2005 NDAA, Congress provided for a one-year open enrollment for those who opted out of the SBP. Since 1980, there have been six open enrollment opportunities. Now that the SBP/DIC offset has been eliminated, we ask Congress to authorize an open enrollment period once again.

Improve the Death Gratuity

The longstanding purpose of the death gratuity has been to provide immediate cash payment to assist eligible survivors of deceased members of the Uniformed Services to meet their financial needs and obligations during the period immediately following a service member's death when the paycheck stops and before other survivor benefits become available.¹

¹ <https://militarypay.defense.gov/Benefits/Death-Gratuity/>.

In 2007, the law was changed to allow service members to designate anyone, in ten percent increments up to 100 percent, to receive the death gratuity.

Since then, many of our organizations have heard stories from eligible family members who have incurred substantial out-of-pocket funeral expenses since the government can only reimburse a travel voucher and cannot authorize a travel advance.

- We ask Congress to secure a minimum of 50 percent of the Death Gratuity for Defense Enrollment Eligibility Reporting System (DEERS) eligible spouses.
- We also call on Congress to change the name of the Death Gratuity to more accurately reflect its intent, but with a title that is sensitive to the surviving family members.

Increase Dependency and Indemnity Compensation (DIC)

We recognize that the DIC is not in the purview of the Armed Services Committee, but we would be remiss if we didn't go on the record for an increase in DIC. Since 1993, surviving spouses are falling further and further behind in meeting their financial obligations from month-to-month. Many surviving spouses of WWII, Korea and Vietnam are receiving only DIC. These DIC recipients struggle monthly with their budget of \$1,357.56 juggling bills to meet the rising costs in health and dental insurance, housing, utilities, food, clothing and other living expenses. Some receive DIC and minimum Social Security benefits. The struggle to meet financial obligations leads too often to homelessness. Congress must take action to rectify this inequity by increasing the current amount of DIC to a level comparable to other federal employees. Widows from WWII, Korea, and the Vietnam are now in their 60's through 90's. These surviving spouses are in dire need for an increase in DIC. We support **S. 976** and similar legislation in the House to increase DIC from 43 percent (\$1,357.56) to 55 percent.

Military Families

Child Care

DoD has long recognized the importance of high-quality and affordable child care for service members and their families. While we understand child care challenges are a national issue, especially as a result of the COVID-19 pandemic, ensuring access to affordable and quality child care for military families is a key element in ensuring readiness of the force.

Despite previous action taken by Congress and DoD to address child care accessibility and affordability challenges military families face, we continue to hear reports of long waitlists in some locations as well as trouble finding eligible providers within DoD's fee assistance program, due to strict standards for these providers to participate in the program. As such, we urge Congress to:

- Establish Dependent Care Flexible Spending Accounts. This pre-tax employer-provided benefit is already available to DoD civilians. We ask that our active duty uniformed services also have access to this financial benefit to help reduce the cost of child and adult care expenses.
- Increase funding and eligible providers for the services' child care fee assistance programs. Many military installations across the services face long child care waitlists at Child Development Centers (CDCs), some of which are located in high cost of living regions. By increasing funding and the number of eligible providers for fee assistance, more military families will be served in the community and will better afford civilian child care.

- Provide funding for public private partnerships outside the installation to increase child care capacity, provide employment opportunities for military spouses, and benefit the local economy. While installations will still need Child Development Centers, commercial leasing of civilian office space for child care centers will increase capacity for DoD child care, benefit local communities, and provide a more cost-effective and efficient alternative to military construction.

Military Privatized Housing

We thank Congress for the important work you have done over the past two NDAs to address the deplorable conditions our military families have endured within some military privatized housing projects. We are anxious to see full implementation of all the NDA provisions so gaps can be identified, and families are able to see what's working and what's not. We are also still waiting for the final four provisions of the Tenant Bill of Rights to be implemented. These provisions provide the "teeth" of the Tenant Bill of Rights and families need them now.

We also urge similar attention and focus be placed on remaining installation family housing, barracks and all other buildings to ensure the safety and good health of the service members, families, Government Civilians and other personnel living and working in them. Thus, we encourage Congress to perform a careful review of the annual funding for repairs, maintenance, and upkeep of all non-privatized facilities on installations to ensure military readiness and the safety and health of all who live and work on our military installations.

Spouse Employment

Military spouses consistently face staggeringly high unemployment rates. According to DoD's most recent survey of military spouses in 2019, the unemployment rate was 22 percent which is statistically unchanged from previous years.² That picture has become even bleaker due to the pandemic, resulting in 34 percent of previously employed military spouses losing their jobs.³

While some progress has been made to smooth transferring of licenses over state lines with the establishment of interstate occupation compacts, Congress needs to take a holistic and comprehensive approach to reducing barriers for all spouses seeking employment. This includes incentivizing employers to hire spouses; expansions to the My Career Advancement Account (MyCAA) scholarship program; providing technical support to occupational boards, and state officials on privilege to practice accommodations for military spouses transferring a license; and ensuring spouses working in high-demand fields – such as child care and health care – have access to student loan forgiveness programs.

Food Insecurity

Many junior military families struggle to make ends meet and put healthy food on the table. While some military families may qualify for the Supplemental Nutrition Assistance Program (SNAP), many more families do not qualify for assistance due to the inclusion of BAH as part of income calculations.⁴ Military

² "2019 Survey of Active Duty Spouses (2019 ADSS)." Department of Defense. December 2, 2020.

https://download.militaryonesource.mil/12038/MOS/Surveys/ADSS1901_MOS-Briefing-508-Revised.pdf

³ "By the Numbers: COVID-19 Impact on Military Families." National Military Family Association. 2021.

<https://www.militaryfamily.org/income-loss-unemployment-and-loss-of-childcare-the-military-family-in-pandemic-america/>

⁴ "Military Personnel: DOD Needs More Complete Data on Active-Duty Servicemembers' Use of Food Assistance Programs". GAO. July 15, 2016. [Military Personnel: DOD Needs More Complete Data on Active-Duty Servicemembers' Use of Food Assistance Programs \(gao.gov\)](https://www.gao.gov/products/GAO-16-477)

families, especially those living in high cost of living areas, often struggle to afford housing as BAH now covers only 95 percent of those costs. Adding to the challenge is the new Blended Retirement System, approved by Congress, which puts a share of retirement planning directly on the service member. To take full advantage of the BRS, service members need to contribute 1 to 4 percent of their basic pay to receive a matching contribution from DoD. Other contributing factors that cause service members to struggle include costs related to frequent moves and a consistently high rate of unemployment among military spouses.

For these reasons, we ask Congress to institute the military family basic needs allowance (BNA) which would provide targeted assistance for those in need. To qualify for BNA, a service member's basic pay, in addition to his/her household size, would have to meet a minimum level of 130 percent of the federal poverty threshold. Providing the service member reports no additional income, the amount of BNA would be the difference between income and the established poverty threshold. Instituting a BNA for military families who meet this threshold would ensure mission readiness and encourage retention of first-term service members who often struggle to put food on the table.

Military Health Care

TMC understands the goal of the Military Health System (MHS) is to ensure a medically ready force to execute the NDS, and a ready medical force to support our armed forces throughout the world. Additionally, we appreciate the goals of MHS Reform include improved readiness, increased efficiencies, and enhanced access, quality of care and an improved patient experience for beneficiaries. However, we remain concerned that some MHS Reform initiatives have the potential to undermine these goals. TMC is also committed to working with DoD and Congress to ensure fulfillment of the nation's obligations to service members and their families, survivors, and retirees who have served a full career. As such, we ask Congress to:

- Protect the value of the TRICARE health benefit by opposing any legislation or policy change that would disproportionately increase enrollment fees, deductibles, copays/cost shares or the catastrophic cap.
- Conduct an evaluation on the impact of TRICARE copay increases on utilization rates of mental health outpatient visits as well as physical, speech, and occupational therapy visits. Cost sharing for therapies, including mental health care, has more than doubled since 2017 resulting in beneficiaries paying upward of 45% out-of-pocket for these relatively low-cost visits. A course of treatment involves multiple visits and can result in substantial out-of-pocket costs over a relatively short timeframe potentially deterring beneficiaries from adhering to treatment plans. Anecdotal reports indicate some families are deferring care because of the high cost of treatment. It is critical to understand the impact of these copay increases on military family access to care.
- Ensure TRICARE policy is updated to cover new technology and evolving treatment protocols as well as benchmarks established by commercial plans and other government payers. Specifically, we urge Congress to update TRICARE policy to include coverage of non-pharmaceutical pain management treatments such as chiropractic care and acupuncture and provide premium free TRICARE coverage for young adult dependents up to age 26.
- Seek improvements in mental health care access for service members and military families through implementation of a pilot of MHS schedulers for behavioral health appointments,

targeted improvements to TRICARE provider directories, more rigorous network adequacy requirements, and increased provider reimbursement to bolster the TRICARE network of mental health providers.

- Ensure proposed military medical billet cuts, any other uniformed/civilian/contracted medical personnel reductions and/or military treatment facility downsizing or closures are not implemented until DoD presents to Congress a thorough analysis of civilian care availability and plan to mitigate impacts on readiness and beneficiary care. As MTFs restructure, demand transparency on access to care metrics to evaluate impact of changes on beneficiaries.

Defense Resale

Commissary and Exchanges provide a vital non-pay compensation benefit to service members, retirees, their families and survivors. The military community consistently rank them as a top compensation benefit, yielding returns to military families and the DoD that far outweigh taxpayer support.

We thank Congress for its continued vigilance over commissary and broader defense resale reforms, and specifically for mandating that DoD produce a new business case analysis, incorporating the recent Government Accountability Office (GAO) findings, and get it approved by Congress before moving forward with military resale consolidation plans.

TMC supports reforms that protect the commissary benefit, the longevity of the defense resale system, its dividends for MWR, savings for patrons, customer satisfaction, and product quality. However, these represent an intricate “ecosystem” of important earned benefits, and reforms must be carefully implemented.

During this unprecedented year of COVID-19, the Commissary and Exchanges also played a vital role in protecting the health and safety of our military community, while continuing to provide critical employment for military families and veterans - over 60 percent of employees are military-connected and nearly 30 percent are military families. TMC applauds their efforts.

We ask Congress for continued vigilance and appropriated funding to support reforms in defense resale, while increasing performance and patronage, and to ensure any efficiencies gained are used to improve vital military resale benefits, and all other important programs, dependent on their success, ensuring any modernization efforts of the Commissary and Exchange systems in no way degrades the earned benefit.

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