
Defense Report

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At Last — Recognition That Military Retirees Should Be Treated at Service Hospitals

The military services have struggled for years to gain acceptance of the need to treat retirees and their dependents at military hospitals. Although the treatment was provided whenever possible, it could be done only if hospital capacity was available in excess of that needed for treatment of active-duty members and their families. For military people who had spent 20, 30 or more years in the service of their country being forced away from service health care into the civilian medical sector was often traumatic, both spiritually and financially. The situation has grown even worse over the past few years as the shrinking number of physicians serving in military hospitals has made in-house health care for retirees even more difficult to obtain.

The Department of Defense has attempted to fill the gap through the use of the Civilian Health and Medical Program for the Uniformed Services (CHAMPUS). This program requires retirees to pay a substantial share of hospitalization costs and, unless the retiree has some form of supplemental insurance, a major illness can create heavy indebtedness. In spite of having the retirees share part of the cost, however, surveys by both the Department of Defense and the General Accounting Office have shown that caring for retirees through CHAMPUS almost always costs the government more than care in a military hospital.

There is no question that both the active and retired members of the Army, and their dependents, are entitled to health care, but language in a 1956 appropriations bill has, over the ensuing years, been interpreted to mean that retirees and their families could only be treated in military hospitals if the hospitals had capacity in excess of that needed to treat their active-duty patients. Because of this language, since 1963 Congress has authorized hospitals just big enough to care for the active people and their families, plus an additional five- to ten-percent allowance for training and teaching medical personnel. Retirees have habitually been squeezed into service hospitals as part of that small excess capacity; but in some areas of the country where there are large concentrations of retirees, the military facilities have devoted as much as a third of their capacity to retiree care.

Now, after years of debate, the General Accounting Office and the Defense Department have agreed that military hospitals should be sized to accommodate the retirees. The agreement must now be translated into legislation to be submitted to Congress. Assuming it is approved, however, it will apply primarily to new construction, so the impact on the availability of in-house care for retirees may be slow in coming.

In the interim, retirees, and many active-duty families for that matter, will be relying on CHAMPUS to provide their health care, especially when they live at some distance from a military facility. But today's active-duty people are tomorrow's retirees and all should be encouraged by this long-delayed recognition of both the economic wisdom and subjective comfort reflected in this decision.