
Defense Report

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Military Health Care Reform—Will the Patient Really Benefit?

For many years the armed forces and Congress have wrestled with the dilemma of providing adequate medicare for the families of servicemen and for retired military. Those in need of medical treatment often did not have ready access to military health facilities or else they resided near a base where the facilities were already overburdened with active duty patients who, quite naturally, rate the highest priority for treatment.

In an effort to make medical treatment available to dependents and retirees, instituted a program called CHAMPUS, an acronym of Civilian Health and Medical Program for the Uniformed Services. Since its inception, CHAMPUS has provided an alternative to overcrowded, understaffed military treatment facilities by permitting authorized beneficiaries to be treated by civilian doctors with the government paying about three-fourths of the doctor bills.

Initially, CHAMPUS worked well but later grew to be too complex and too costly for both beneficiaries and the government. CHAMPUS expenditures have been rising faster than private sector health care costs, and its administrative complexities proved to be the source of far too many complaints. By 1986, CHAMPUS had grown to 30 percent of all military health care costs and was nearly \$500 million over its budget for the year.

In an effort to reduce the growing CHAMPUS budget, improve beneficiary access to health care and simplify CHAMPUS paperwork, Defense officials are proposing to reform the system with tests in six states later this year. The so-called CHAMPUS Reform Initiative attempts to meet these very ambitious goals by contracting with private industry for health care delivery.

The General Accounting Office challenges the reform plan as having the potential for increasing the government's health care bill rather than reducing it, and says it might make already complex procedures even more difficult for the recipient.

There is no question that something must be done to make the present CHAMPUS system better. Six million CHAMPUS beneficiaries are looking to Congress and the Defense Department for assurance that any future improvements will not be made by cutting back on their earned benefits.