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Caldera: 'We must resurrect the spirit of service.' With three of the armed services facing recruiting difficulties, Army Secretary Louis Caldera said, "We must resurrect the spirit of service to country" as a means of challenging young men and women. He specifically rejected a return to the peacetime draft as a means for the armed forces to meet its manning requirements.

Speaking before the National Press Club March 26 in Washington, he said, "American youth is hungry to be challenged to serve. ... (We need to be) tapping in on a yearning to be asked."

Acknowledging that the armed forces need about 200,000 recruits annually and that military service is unique, he said that it was important for young people to look at serving organizations such as the Peace Corps, AmeriCorps and other groups that work on education, crime, environment and poverty problems at home.

In rejecting a call for a return to conscription as not necessary and a belief that it would be unfair because not everyone would be called to serve, he said, "It may hurt rather than help."

Caldera cited the example of the generation of Americans portrayed in the film "Saving Private Ryan" as one demonstrating a "society willing to give of itself... to promote the common good."

In World War II, he said about 44 percent of all eligible males served; that number rose to 63 percent in Korea. But it fell dramatically during the Vietnam era to ten percent.

But the benefits that those who served brought back to their civilian lives improved the lives of all Americans, he said. "They re-enter civilian life with a clear understanding of civic obligation."

People are the number one readiness challenge. The Army's chief of operations and plans said that today the greatest challenge facing the service is personnel — bringing soldiers into the service and keeping them.

Lt. Gen. Thomas N. Burnette Jr., said that it may seem strange for an operations officer to talk about personnel, but the recruiting and retention of soldiers for the Army is essential if the Army is going to successfully prepare for the future.

Speaking at an Association of the United States Army Landpower Forum Breakfast March 4 in Northern Virginia, Burnette said that currently there are shortages in leaders — officers and noncommissioned officers — and soldiers with special skills.

"We need to improve the Army's near-term and long-term readiness," Burnette said, "but we have leader and soldier shortages. This makes personnel our number one readiness challenge."

Guard, Reserve leaders tell Congress of their needs. The Army's top reserve component leaders told a key congressional panel in mid-March that readiness was improving and integration with the active component is progressing, particularly in overseas deployments.

Maj. Gen. Roger C. Schultz, director, Army National Guard, and Maj. Gen. Thomas J. Plewes, chief, Army Reserve, told the Senate Armed Services Readiness Subcommittee that work still needed to be done — especially on full-time staffing and providing money for both individual and unit training.

Schultz said, "Soldiers in the Michigan Guard were taking up collection to go to annual training." Plewes said, "Training money hasn't improved enough for us."

Senate panel wants to see draft testimony to make sure it is getting full story on readiness.

The chairman of a key Senate panel told Air Force and Army witnesses at a March 18 hearing on readiness that his committee wanted to see the original versions of their testimony, in addition to their approved version.

Sen. James Inhofe, R-Okla., chairman of the Readiness Subcommittee of Senate Armed Services, made the unusual request because in the past, warnings about readiness came "only from a few brave field commanders."

He added that the prepared testimony from the Army witnesses he had read before the hearing sounded too much alike.

It is routine for administration witnesses to have their prepared testimony reviewed by the Office of Management and Budget and the Defense Department before submission.

Mixed picture on recruiting in reserve components.

While the Army Guard is making its recruiting goal and retention remains strong, the Army Reserve is projecting a shortfall as high as 9,500 soldiers. Maj. Gen. Thomas Plewes, chief, Army Reserve, in his prepared testimony, said recruiting health care professionals is especially challenging. "We conducted a survey of health professionals in which the results indicated that fears of possible loss of livelihood upon mobilization was the determining factor as to whether or not they decided to join or stay in the reserve."

It is a fear shared by other professionals and the self-employed, Army Reserve officials said.

Maj. Gen. Roger Schultz, director, Army National Guard, told the committee that guardsmen who were in health care, other professionals and self-employed were expressing similar concerns.

At the same time recruiting proved difficult, the Army Reserve also experienced a 37.5 percent rate of attrition. Plewes said in his prepared testimony, "The Army Reserve created the Commander's Retention Program to establish a balance between recruiting and retention. This effort started by outsourcing the AC (active component) to the RC (reserve component) transition portion using the Army Career Alumni Program."

Corps commanders explain impact of high OpTempo.

What a key Senate subcommittee heard from Lt. Gen. William F. Kernan, commander, XVIII Airborne Corps and Fort Bragg, was a story repeated by other Army witnesses as they explained the impact of repeated deployments on their troops.

"OpTempo must not be simply defined as deployments, but as extended periods away from their families and their bunks. ... These periods are a combination of field training at home station, training away from home station and operational missions. OpTempo keeps many XVIII Airborne Corps soldiers away from home five to seven months out of every year and in some cases up to ten months."

Lt. Gen. George A. Crocker, commander, I Corps and Fort Lewis, said, "We are first and foremost fragile in people. Despite over 90 percent overall levels of fill, our units experience shortfalls in low-density or specialty skill MOSs (mechanics, military police, communications)."

As the hearing was ending, Kernan said he was 3,300 noncommissioned officers short at Fort Bragg.

Lt. Gen. Leon J. LaPorte, commander, III Corps and Fort Hood, said because he didn't have the authority to absorb shortfalls in infrastructure except to take from training funds, "Repair and maintenance is restricted to physical plant catastrophic failures only. There are no dollars to perform required maintenance on transformers and lines to prevent power failures, roof repairs to prevent collapses, sewer lines to prevent bursting pipes and heating and air conditioning systems."

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John Grady - Editor
2425 Wilson Blvd., Arlington, VA 22201
Phone: 703-841-4300, Ext. 213
FAX: 703-841-3505

Kosovo deployment's impact will be felt more than just on the units deploying.

Three Army corps commanders told a Senate panel on military readiness that the deployment of up to 4,000 American troops into the Serbian province of Kosovo will have an impact on up to 8,000 more soldiers and possibly drain money for home station training.

Lt. Gen. Leon J. LaPorte, commander, III Corps and Fort Hood, said, "For the first brigade in the rotation, it will take about six months for them to get back to C1 rating (fully ready for combat), including a National Training Center rotation."

In answer to a question, he added that the Army is sending simulation devices to Bosnia to keep up combat skills. This could also be done in any Kosovo deployment. "But we're not doing combined arms training."

How much training is available for the combat arms varies by deployment. All three said there was ample opportunity and space to train in Kuwait and none in the Sinai for combined arms training.

Lt. Gen. George A. Crocker, commander, I Corps and Fort Lewis, told the Senate Armed Services readiness subcommittee that forces in Europe would likely feel the first effects of any deployment, but then it would fall upon U.S. Army Forces Command. When that happens, he said the training regimen for the year would be broken and he asked for "money up front" to pay for the deployment rather than waiting for a supplemental appropriation to cover the expense.

Lt. Gen. William F. Kernan, commander, XVIII Airborne Corps and Fort Bragg, said the impact of the deployment is three times the number of soldiers deployed. In addition to those, soldiers coming off the deployment are being retrained as Crocker said, and a like number of soldiers must be trained for the specific mission in Kosovo. "This will not be a short-term deployment."

Current news electronically. For the latest developments on Capitol Hill, check out the What's Hot and Newsdesk sections of the AUSA Web Site. Bookmark, www.ausa.org. For AUSA's electronic legislative newsletter, E-mail John Molino at jmolino@ausa.org.

Recruiting worries House committee. The House Armed Services Committee remained extremely concerned about recruiting for the All-Volunteer Force as it was wrapping up hearings on what the military needed for Fiscal Year 2000.

At the end of the day, the committee members and career recruiters agreed that the Armed Forces needed to be viewed as something as other than a last resort for young people, and men and women from all walks of life were needed to tell the story of necessary service to the country.

Whether shorter enlistments, such as the 15-month one proposed in mid-March by Sen. John Warner, R-Va., chairman of the Senate Armed Services Committee, would make a difference in today's recruiting environment, the panel and recruiters said was unclear.

The chairman of its Personnel Committee, Rep. Steve Buyer, R-Ind., writes for the record: "Although DoD's policy is to not trade for quantity, the Secretary of the Army has been calling for further cuts to quality standards to levels below those DoD has established as minimally acceptable to sustain a ready force."

Buyer recalled a late winter field hearing in Norfolk, Va., during which a number of noncommissioned officers "strongly believe that recruit quality had dropped to dangerous levels and they asked the subcommittee to not allow recruit quality to be decreased further."

Rep. Neil Abercrombie, D-Hi., ranking minority member, acknowledged that the recruiting "situation may be grave, but it may not be permanent." He praised Army Secretary Louis Caldera's decision to look more closely at GED holders as possible recruits.

Rep. Mike Thompson, D-Calif., said he received his GED while in the Army. "I think we should talk about changing the standard, not lowering it."

The Army has been stressing this, particularly concerning the rising number of home-schooled students and the standardized nature of the GED over the requirements for a high school diploma. At the same time, they insist they are not changing the standard for the number of recruits scoring in the highest mental categories on standardized tests.

Chairman calls slow payment under TRICARE an 'intolerable situation.' The continuing problems of TRICARE's slow payment of claims caused the chairman of a key House subcommittee to tell defense health officials March 10 that he found it to be an "intolerable situation."

Rep. Steve Buyer, R-Ind., and chairman of the Personnel Subcommittee of the Armed Services Committee, said this was a critical issue that caused at least two major problems.

"The first is that the credit ratings of military personnel and other beneficiaries have been undermined because the TRICARE claims processing system can't seem to make consistently timely payments to providers. ... It would seem reasonable and 'doable' to me that we could design and implement a medical claims processing system of sufficient rigor and responsiveness that it doesn't wreck the financial health of the very people the system is trying to help."

The second problem is caused by "late claim payments, no payments and administrative hassles in getting paid (so) health care providers are walking away from TRICARE or deciding not to join TRICARE networks at all."

Dr. Sue Bailey, Assistant Secretary of Defense for Health Affairs, admitted there was a problem with slow claims payments. "We've had big business problems" that TRICARE is now starting to overcome as it is up and running across the nation. She said 70 percent of the claims were now being paid within 21 days and 90 percent of all claims are processed within that time. "I don't ever want a collection agent at the door of any TRICARE family," she said.

Stephen P. Backhus, director of Veterans Affairs and Military Health Care Issues for the General Accounting Office, said while the numbers cited by the Secretary were correct, but that still meant "3 million claims were not processed in time," adding, "the department does not know if the contractors were paid accurately." He said in the GAO's study of the issue it found errors of up to 25 percent in either under- or overpayments to physicians, health care professionals, clinics or hospitals.

Both Bailey and Backhus agreed what complicates the claims payment issue is the fact that there are three different kinds of plans under TRICARE and frequent changes in the program that confuse both beneficiaries and providers.

Pharmaceutical costs: No. 1 issue for over-65 retirees. For military retirees over 65, access and cost of pharmaceuticals "is the biggest single issue," a senior health care expert at General Accounting Office told Congress.

The House Armed Services Personnel Subcommittee was told the department spends about \$1.3 billion annually on pharmaceuticals, but because of "stovepipe systems" critical information could not be shared among the three or, in many Medicare-eligible beneficiaries in the defense health system.

When defense health care officials said they needed two more months to complete their report on the pharmacy reform effort, Rep. Steve Buyer, R-Ind., and chairman of the committee said he felt the department was "trying to run the clock out" on this year's authorization process. He said that he and Dr. Sue Bailey, Assistant Secretary of Defense for J Health Affairs, needed to meet within the next two weeks to see where the department was in examining the benefit.

Stephen P. Backhus, director, Veterans Affairs and Military Health Care Issues in the General Accounting Office, said it was critical that database information be shared to not only create savings of between \$61 million and \$107 million annually but to "properly screen prescriptions before pharmaceuticals are dispensed." Overall, GAO estimates savings could be between \$200 million and \$400 million if these reforms and best business practices from the private sector were part of DoD's pharmacy program.

Without that integrated database, David J. McIntyre, president of TriWest Healthcare Alliance - the TRICARE contractor for much of the Midwest, said, "everyone is left bleeding." He estimated his company underestimated its pharmaceutical costs by between \$10 million and \$30 million when it signed the TRICARE contract. "We've got to make sure that we get the right drugs at the right time to the right location" and integrating and continually managing the database would assure that and more accurately predict costs.

He added pharmaceutical costs should be the same to the three classes of providers. DoD and Veterans Affairs buy their drugs at a significant discount from manufacturers as part of an agreement that extended tax benefits to companies who built plants in Puerto Rico.