



T H E M I L I T A R Y C O A L I T I O N

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October 20, 2017

The Honorable John McCain
Chairman, Armed Services Committee
United States Senate
Washington, DC 20510

The Honorable Mac Thornberry
Chairman, Armed Services Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Jack Reed
Ranking Member, Armed Services Committee
United States Senate
Washington, DC 20510

The Honorable Adam Smith
Ranking Member, Armed Services Committee
U.S. House of Representatives
Washington, DC 20515

Dear Messrs. Chairmen and Ranking Members:

The Military Coalition (TMC), a consortium of uniformed services and veterans associations representing more than 5.5 million currently serving, retired, and former service members and their families and survivors, thank you and the Committees for your efforts to protect the interests of service members in the FY2018 National Defense Authorization Act (NDAA).

The following concerns emphasize TMC's views and recommendations on selected provisions of the House- and Senate-passed bills.

Force Levels – TMC is concerned by continuing statements of Service leaders regarding the extent to which our forces are overstretched. We believe force levels should be increased to meet continuing and projected demands. For this reason, TMC supports the Senate-proposed increase for the Marine Corps and the House-proposed increases for the Active and Reserve Components of the other services.

Uniform Benefit – Compensation and benefit adjustments should apply equally for all seven uniformed services. Where applicable in legislation, “uniformed services” should be used in lieu of “armed forces.”

Military Pay Raise – The Coalition believes strongly in the principle of pay raise comparability and believes servicemembers have earned and deserve the same annual raise as the average American's, as measured by the Employment Cost Index (ECI). We urge the conferees to sustain and reinforce this fundamental comparability principle with a 2.4-percent raise for FY18. TMC supports the Senate-passed provision limiting the conditions under which the President may propose an alternative pay raise.

Basic Allowance for Housing (BAH) – TMC opposes the Senate-passed plan to deny with-dependent BAH payments to dual-member couples with children sharing the same household. For two married O-4s with children in Washington, DC, this would impose an annual pay cut of more than \$4,000. For married E-7s with children in San Diego, the annual income loss would be more than \$5,600. We agree with DoD, BAH is an integral element of military compensation, and any changes should be initiated through the Quadrennial Review of Military Compensation (QRMC) with one underway in 2018 for this very purpose. Further, servicemembers with dependents should not be subjected to this financial penalty based on whether they marry another servicemember vs. a civilian. For these reasons we urge conferees to leave with-dependent BAH rules unchanged.

TRICARE Fees – TMC opposes the Senate initiative to impose fee increases on currently serving and retired members and families who were explicitly grandfathered against such increases in the FY17

NDAAs. Congress expects servicemembers to live up to their commitments, and those who are serving or have completed a career of service should have a reasonable expectation Congress will live up to the reciprocal commitments it has made to them, especially commitments made less than one year ago.

Pharmacy Copays – TMC opposes Senate-proposed increases in TRICARE pharmacy copays and elimination of the COLA-based adjustment process for those copays. The Coalition believes these copays already are too high and that recent actual and proposed increases have been determined arbitrarily, with the primary purpose of requiring beneficiaries to fund program changes rightfully the responsibility of the government. For example, the current \$10 retail generic copay is already more than double the \$4 Wal-Mart charges people with no insurance for hundreds of generic medications. Military beneficiaries deserve better than repeatedly seeing proposed copay hikes without any principles established for what level of pharmacy benefit their decades of service and sacrifice should have earned. COLA-adjustments contained in current law should continue to ensure fees do not outpace income.

Survivor Benefits – TMC is grateful to both chambers for their initiatives to prevent the Special Survivor Indemnity Allowance (SSIA) authority from expiring. But military survivors deserve better than the status quo, or simply COLA-adjusting the current SSIA. TMC is seeking House and Senate senior leadership support to provide non-HASC/SASC offsets to allow multi-year increases in SSIA amounts, in accordance with Congress' originally expressed intent to continue increasing SSIA as a means of phasing out the unfair deduction of Survivor Benefit Plan (SBP) annuities for VA's Dependency and Indemnity Compensation. SSIA increases should not be funded by taking money from other military benefits (e.g., by raising pharmacy copayments). Solutions must come from the government, not the beneficiary.

TRICARE Reserve Select (TRS) – TMC supports the Senate proposal to extend TRS eligibility to Reserve Component members eligible for the Federal Employees Health Benefit Program, funding for which should not be forced on beneficiaries through excessive pharmacy copays. TMC believes this important equity issue should be funded by selling federal assets or other means that do not compel military beneficiaries to fund obligations that rightfully are the government's.

Hospice Care for Children – TMC supports the Senate's provision allowing hospice care coverage for children also receiving curative care. Medicare rules currently prohibit TRICARE coverage of hospice care services for children receiving curative healthcare treatments.

Reserve Benefit Comparability - TMC supports the House provision granting equal treatment of orders to serve on Active Duty under section 12304a and 12304b of Title 10. Servicemembers making the same sacrifices in support of our nation should receive the same benefits. We see no reason for Congress to deny equal treatment for equal sacrifice.

Assessing Characterization of Discharges – TMC supports the House provision emphasizing consideration of additional medical evidence and liberal consideration of evidence from VA or civilian healthcare providers relating to PTSD or TBI for correction of military records as relates to discharges or dismissals. TMC likewise supports the Senate provision, with regard to survivors of sexual assault, which includes those who allege sexual assault.

Sincerely,

The Military Coalition
(Signatures attached)

cc: Members of House and Senate Armed Services Committees

Air Force Association
Air Force Sergeants Association
Army Aviation Association of America
AMSUS, the Society of Federal Health Professionals
Association of the United States Army
Association of the United States Navy
Chief Warrant & Warrant Officers Association, USCG
Commissioned Officers Association of the U.S. Public Health Service, Inc.
Enlisted Association of the National Guard of the United States
Fleet Reserve Association
Gold Star Wives
Iraq & Afghanistan Veterans of America
Jewish War Veterans of the United States of America
Marine Corps Reserve Association
Military Officers Association of America
Military Order of the Purple Heart
National Guard Association of the United States
National Military Family Association
Naval Enlisted Reserve Association
Service Women's Action Network
The Military Chaplains Association of the United States of America
Tragedy Assistance Program for Survivors
The Retired Enlisted Association
United States Army Warrant Officers Association
United States Coast Guard Chief Petty Officers Association
Veterans of Foreign Wars of the United States
Vietnam Veterans of America
Wounded Warrior Project