



March 6, 2023

The Honorable Lloyd J. Austin III
Secretary of Defense
1000 Defense Pentagon
Washington, DC 20301-1000

Dear Mr. Secretary:

The Military Coalition (TMC) represents more than 5.5 million service members, veterans, their families, and survivors. As the Department of Defense (DoD) undertakes the FY 2024 budget request, we urge you to protect the TRICARE benefit to ensure it provides the low out-of-pocket costs, comprehensive coverage, and access to quality care service members and retirees have earned and expect to see when recommending service to the next generation of volunteers.

TRICARE is a key component of the compensation and benefits package that sustains the all-volunteer force. For nearly two decades, as servicemembers faced years of high OPTEMPO and repeated combat deployments, nearly all TRICARE out-of-pocket costs remained unchanged. Since 2018, as the post-9/11 cohort transitions to retirement, military retirees have endured a series of disproportionate TRICARE fee increases reducing the value of their earned benefit including an unprecedented Select enrollment fee, a higher catastrophic cap, and medical encounter copays that doubled in many instances.

At the same time, TRICARE has failed to evolve to keep up with health plan benchmarks resulting in increasing gaps in TRICARE coverage compared to high quality commercial plans. Coverage for young adult dependents, zero copay contraception, chiropractic care and emerging technologies (e.g., diagnostic genetic testing, automated insulin delivery systems) are all areas where TRICARE falls short compared to high quality commercial plans.

TMC is also concerned about recent cuts to the TRICARE pharmacy network resulting from lowered contractual access standards. These cuts reduce choices and options for all beneficiaries and presents a barrier to access for populations with more significant medical needs including the elderly and those with serious, chronic medical conditions (e.g., cancer, multiple sclerosis, epilepsy) who depend on the unique services, more expansive medication availability, and niche locations (e.g., hospitals, outpatient medical offices) afforded by independent pharmacies.

Military families have nearly 25% fewer options today compared to the past when the network had 55,000+ retail locations versus the approximately 42,000 in network today. The TRICARE network is no longer on par with FEP Blue – the Blue Cross Blue Shield plan that covers two-thirds of federal employees – and its national network of more than 55,000 pharmacies. Alarming, the new contractual “floor” for the TRICARE pharmacy network is only 35,000 pharmacies which means the network could shed an additional 7,000 locations and still be in compliance with contract requirements. This network

reduction does not just eliminate redundancies – it cuts services and locations in a way that reduces access for a small but significant population of the most vulnerable TRICARE beneficiaries.

TMC understands health care costs are rising and appreciates the need to control DoD health care spending, but TRICARE must keep up with evolving technologies, treatment protocols and coverage benchmarks set by commercial plans while maintaining provider access and low out of pocket costs that are hallmarks of the benefit. TMC will advocate against disproportionate fee increases (those that exceed military retired pay cost of living adjustments) that would erode the value of the overall military retirement package.

Our nation has an obligation to both the currently serving and retirees who for decades accepted the risks and sacrifices inherent to a career in uniform. Cutting benefits after they have been earned betrays the social contract that underpins the all-volunteer force and is surely a factor in today's recruiting challenges as military families – key influencers – become less inclined to recommend military service to young people, including their own children.

Thank you for considering our concerns about maintaining the integrity of the TRICARE benefit as DoD develops the FY 2024 administration budget request. TMC appreciates on-going engagement with the Defense Health Agency as we all strive to ensure the quality healthcare our service members, their families and retirees have earned. Thank you for your continued support of our nation's service members, retirees, their families, and survivors.

Sincerely,

A handwritten signature in black ink that reads "Jack DuTik". The signature is written in a cursive, flowing style.

President,
The Military Coalition

CC: The Honorable Kathleen Hicks, Deputy Secretary of Defense
The Honorable Gilbert Cisneros, Under Secretary of Defense for Personnel and Readiness
The Honorable (Dr.) Lester Martinez-Lopez, Assistant Secretary of Defense for Health Affairs
Lieutenant General Telita Crosland, Director, Defense Health Agency

See attached list of organizations:
[The Military Coalition:](#)

Air Force Sergeants Association (AFSA)
AMVETS (American Veterans)
Army Aviation Association of America (AAAA)
AMSUS, the Society of Federal Health Professionals
Blinded Veterans Association (BVA)
Commissioned Officers Association of the US Public Health Service (COA)
Fleet Reserve Association (FRA)
Iraq and Afghanistan Veterans of America (IAVA)
Jewish War Veterans of the United States of America (JWV)
K9s for Warriors
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)
National Military Family Association (NMFA)
Naval Enlisted Reserve Association (NERA)
Non Commissioned Officers Association (NCOA)
Reserve Organization of America (ROA)
Service Women's Action Network (SWAN)
The Enlisted Association (TREA)
Tragedy Assistance Program for Survivors (TAPS)
United States Army Warrant Officers Association (USAWOA)
U.S. Coast Guard Chief Petty Officers Association & Enlisted Association (CPOA)
Vietnam Veterans of America (VVA)