



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

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July 10, 2018

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 servicemembers in the FY2019 National Defense Authorization Act (NDAA).

The following statements and concern emphasize TMC's views and recommendation on a selected provision of the House-and Senate passed bills.

We greatly appreciate in particular, your committee's commitment and efforts to protect the interests and quality of life for military personnel, retirees, veterans and their families by supporting the 2.6% pay raise at ECI and maintain current calculations for basic allowance for housing.

We also strongly support your further commitment to not only sustain, but to increase military personnel strengths in both the active and reserve components of the services in order to meet national security strategy requirements and dwell-time needs as our forces prepare for and respond to security challenges around the globe.

As you know move forward in your deliberations to reconcile the differences between the House and Senate passed versions in conference, we would like to address an area of concern regarding the potential raising of TRICARE fees.

We strongly disagree with section 701 in the Senate version of the NDAA (S2987). This provision eliminates the grandfathering for beneficiaries enrolled in TRICARE prior to January 1, 2018 with the intent to establish a single co-payment structure for all beneficiaries to "correct

an inequity.”

This provision as written, not only disregards the intent of the FY2017 NDAA, which fully appreciated the difference between the many years of service as compared to new entrants, it patently results in yet another round of significant increases on that select population—affecting those who served a full career in uniform and endured increases last year when the Defense Health Agency unilaterally implemented changes to the fee tables resulting in those net increases.

In the clearest sense, we strongly oppose this provision because these new out of pocket costs would be achieved through a cumulative impact of higher copays, enrollment fees, higher catastrophic caps and a new non-network deductible that would significantly erode the healthcare benefit earned over many years of service and sacrifice.

Also disappointing, is that the section 701 provision does nothing to address the steep copays for physical, speech and occupational therapies as well as mental health visits—a critical flaw in the new TRICARE copay construct.

Further compounding this is the fact that beneficiaries continue to have negative experiences with the managed care support contract transitions for the past six months.

Finally, it is also apparent to us additional fees collected are not being used to maintain or improve the military health care system—but are instead being used to fund other readiness priorities or other un-specified priorities.

For these reasons, and for the sake of all those current beneficiaries who have faithfully served all of us, we respectfully ask you not to include section 701 in the final version of the FY2019 National Defense Authorization Act and to honor Congress’s earlier commitment to our servicemembers.

Sincerely,
The Military Coalition.
(signatures enclosed)

Air Force Association
Air Force Sergeants Association
Air Force Women Officers Associated
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.
Fleet Reserve Association
Gold Star Wives
Iraq & Afghanistan Veterans of America
Jewish War Veterans of the United States of America
Marine Corps League
Marine Corps Reserve Association
Military Officers Association of America
Military Order of the Purple Heart
National Military Family Association
Reserve Officers Association
Service Women's Action Network
The Military Chaplains Association of the United States of America
The Retired Enlisted Association
Tragedy Assistance Program for Survivors
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