HEARING TO RECEIVE TESTIMONY FROM MILITARY BENEFICIARY ORGANIZATIONS REGARDING THE QUALITY OF LIFE OF ACTIVE, RESERVE, AND RETIRED MILITARY PERSONNEL AND THEIR FAMILY MEMBERS IN REVIEW OF THE DEFENSE AUTHORIZATION REQUEST FOR FISCAL YEAR 2009 AND THE FUTURE YEARS DEFENSE PROGRAM

Wednesday, April 16, 2008

U.S. SENATE
SUBCOMMITTEE ON PERSONNEL
COMMITTEE ON ARMED SERVICES
Washington, DC.

The subcommittee met, pursuant to notice, at 2:37 p.m. in Room SR–232A, Russell Senate Office Building, Hon. Ben Nelson, chairman of the subcommittee, presiding.

Members Present: Senators Ben Nelson [presiding] and Graham.

Committee staff members present: Leah C. Brewer, Nominations and Hearings Clerk.

Majority staff members present: Jonathan D. Clark, Counsel, Gabriella Eisen, Counsel, and Gerald J. Leeling, Counsel.

Minority staff members present: Diana G. Tabler, Professional Staff Member, and Richard F. Walsh, Minority Counsel.

Staff assistants present: Ali Z. Pasha, and Brian F. Sebold.

Committee members' assistants present: Andrew R. Vanlandingham, assistant to Senator Ben Nelson, Jennifer Cave, assistant to Senator Warner, Lenwood Landrum, assistant to Senator Sessions, Mark J. Winter, assistant to Senator Collins, and Andrew King, assistant to Senator Graham.

OPENING STATEMENT OF HON. BEN NELSON, U.S. SENATOR FROM NEBRASKA

Senator BEN NELSON. Good afternoon. This Personnel Subcommittee hearing will come to order.

The subcommittee meets today to receive testimony from military beneficiary organizations regarding the quality of life of Active, Reserve, and retired military personnel and their family members in review of the Defense Authorization Request for fiscal year 2009 and the Future Years Defense Program.

This committee is responsible for the most important aspect of the United States military system: our men and women and their

families. These great Americans have volunteered to serve our Nation, so we have a special responsibility to provide for their quality of life.

The repeated and extended deployments and the intensity of the conflicts in Iraq and in Afghanistan are taking a toll on the health of our troops and their families. This hearing will help us to learn about the concerns and needs of our military members and their families from the beneficiary organizations that stay in constant contact with them and represent their interests.

It's been an honor to be able to work with my ranking member, Senator Graham, in this effort. We have exchanged positions a time or two, and—but, we, along with the rest of the subcommittee, aim to do everything we can to ensure that our servicemembers and their families have a quality of life commensurate with the sacrifices they make on a daily basis.

I'd like to express my personal appreciation to the many organizations that assist and represent the interests of our military personnel and their families. You do a great service to our Nation, and you deserve to be recognized for what you do.

Although it would be ideal to hear the testimony of each of the organizations, that's not possible. That's why we reach out to the Military Coalition, a consortium of 33 service and veterans organizations, to present the collective views of the organizations.

We're pleased to welcome our witnesses here this afternoon: Colonel Steve Strobridge, U.S. Air Force (Ret.), and Master Chief Joseph L. Barnes, U.S. Navy (Ret.). And they are the co-chairman of The Military Coalition. Colonel Strobridge is the director of government relations for the Military Officers Association of America, and Master Chief Barnes is the National executive director of the Fleet Reserve Association.

We also welcome Kathleen Moakler, director of government relations for the National Military Family Association. She also serves as the co-chair of the Survivor Committee of The Military Coalition. Michael Cline is the executive director of the Enlisted Association of the National Guard of the United States. He serves as the co- chair of the Guard and Reserve Committee of The Military Coalition. Ms. Meredith Beck is the National policy director of the Wounded Warrior Project, an organization devoted to the care and treatment of our wounded warriors.

We look forward to learning from our witnesses about the needs and concerns of our military personnel, their families, and their employers. And I, again, want to thank all of the organizations that serve our military personnel and their families for your continuing support, especially the support to our wounded warriors and their families.

Senator Graham, it's been a pleasure to work with you over these years, and I look forward to being able to continue to do that. And we serve, as bipartisan as any group can serve, and, with that, maybe you have an opening statement you'd like to make.

STATEMENT OF HON. LINDSEY O. GRAHAM, U.S. SENATOR FROM SOUTH CAROLINA

Senator GRAHAM. Well, very briefly. What you said is absolutely true, it's been a pleasure working with you and your staff. I think

the committee has the right spirit about the way we should approach our job when it comes to the military community, and you've really been a pleasure and joy to work with.

I want to recognize Meredith. She did my defense work before she went on to bigger and better things, and has done a good job with the Wounded Warriors Program.

Thank you all for coming. Thank you all, all of you, for what you do every day.

And I'm ready to listen and learn.

Senator BEN NELSON. Before we proceed to opening statements, we've received prepared statements from The Military Coalition, the Fleet Reserve Association, the National Military Family Association, the Enlisted Association of the National Guard of the United States, the Wounded Warrior Project, the Reserve Officers Association. And, without objection, all of these statements will be included in the record. [The information previously referred to follows:]

Senator BEN NELSON. Ms. Beck, would you like to begin the process today?

STATEMENT OF MEREDITH M. BECK, NATIONAL POLICY DIRECTOR, WOUNDED WARRIOR PROJECT

Ms. Beck: Yes, sir. Thank you.

Sir, before I begin, I'd like to recognize two people who are in the audience: Sarah and Ted Wade. Ted was injured in Iraq on February 14th of 2004, and the two of them together have overcome just about every obstacle, and have created a success out of a program that—in some cases, they were created success despite the systems, instead of because of them. And so, they have brought a tremendous amount of knowledge, expertise, experience, emotion, and devotion to this, and information to the Wounded Warrior Project, and I'd like to acknowledge them.

Senator BEN NELSON. Thank you.

Ms. Beck: Mr. Chairman, thank you for the opportunity to testify before you today regarding the needs of our Nation's most recent generation of wounded servicemembers. My name is Meredith Beck. I'm the policy director for the Wounded Warrior Project. As a result of our direct and daily contact with this most recent generation of wounded warriors, we have a unique perspective on their needs and the obstacles they face as they attempt to reintegrate into their communities.

With respect to case management, many of our families state that they need a case manager to manage their case managers. Therefore, WWP was pleased that the senior oversight committee charged with resolving these issues created the Federal Recovery Coordinator Program. However, with the limited number of individuals serving as FRCs, we must use our resources wisely and effectively. Currently, the FRCs seem to be focused on those in the hospitals, yet it is important to remember that this program was created as a result of the study of the Walter Reed scandal, and we must not only serve those who are injured tomorrow, but also those who were injured during the previous years of the conflict.

There's a common and dangerous misperception that if you are injured earlier on, then all of your problems have been solved. I can

only tell you from personal experience, those families are often the ones in need of the most help. They are the bow wave, often finding the problems and facing them alone. WWP understands that the SOC is reviewing a range of options to address this look-back issue, and we encourage the swift implementation of such a plan.

In addition, the FRC can only be successful if he or she has the authority to break through the current barriers of both agencies. Part of that authority would have to include the overlap of benefits and services, which, to a certain extent, was included in last year's defense authorization bill. A successful overlap would allow the recovery coordinator or case manager concurrent access to the DOD and VA benefits necessary for the care and rehabilitation of severely injured servicemembers. In other words, the provision rightfully recognizes that an individual's care should be based on his medical condition and not on his status as Active Duty or retired. However, WWP is concerned that the regulations prescribed in accordance with the law will miss the spirit with which the provision was drafted. For example, the provision authorizes the Secretary to offer severely injured veterans the same medical care and benefits as those on Active Duty if they are, quote, "not reasonably available to such a member in the Department of Veterans Affairs," end quote. The VA offers excellent services for many, but, due to insufficient funding, inconsistency in service, and differences in generational needs, what is offered on paper may not, in some cases, be sufficient to meet the needs of our severely injured population. Therefore, we encourage strong oversight of the implementation of this provision to ensure its success, not only in policy, but also in practice.

Finally, with respect to case management, it is imperative that we take steps to promote the visibility of all of these case managers. Currently, there is a myriad of case managers both within DOD and VA that many times they're either overburdened or unused because the injured don't know where to begin. Without visibility, the servicemembers are lost and organizations like WWP, MOAA, and NMFA, and others are unable to plug those we find back into the system quickly and effectively.

With respect to deferment, unlike burn patients and amputees, those with severe brain injuries appear to be boarded out of the military very quickly, some within days or even weeks of their devastating injury. While this process has implications for all, for TBI patients the availability of options in their medical care is at stake. While they do have access to the VA in many cases, private therapies for which they were eligible while on Active Duty become unavailable once retired. Unfortunately, even though traumatic brain injuries are considered the signature injury of the recent conflicts. Once medically retired, TRICARE no longer covers cognitive rehabilitation, as it is considered unproven. While WWP is familiar with a number of families who disagree with such a characterization, following the successful rehabilitation of their loved ones—the Wades are a prime example—and strongly encourage the cover of cognitive therapy, we must take steps in the short term to facilitate the transition of our most severely injured. Therefore, WWP is seeking legislation to establish a 1-year deferment for the MEB/

PEB process, unless initiated by the family, for severe TBI patients.

Severe TBI is a devastating and life-altering wound that causes uncertainty and anguish to the affected servicemember and their family. Delaying the MEB/PEB will allow the patient's condition to stabilize, provide a standard period of time for coverage under TRICARE, and allow the family to fully understand their options before being removed from the familiar military environment. It is the moral thing to do.

With respect to TRICARE eligibility for parents and next of kin, most agree that, due to the advances in medicine, we are able to save those we otherwise would not have been able to save in previous generations. However, we must now provide them with the most appropriate and best quality of care. In some cases, the most appropriate care at home includes parents and spouses who leave their jobs to become full-time caregivers. Family caregivers offer the severely injured love, continuity, flexibility, and dignity that cannot be found through a contract agency. Unfortunately, however, when family members leave their jobs, they often lose their health insurance. Fortunately, spouses are eligible for TRICARE through their injured servicemembers, but parents and next of kin are not included in this coverage; therefore, we are requesting legislation allowing the parents and next of kin to be fully eligible for TRICARE if they are providing those services.

It's our responsibility to ensure that the family members providing the care have the tools to maintain their health, giving the servicemember the best chance of recovery.

And lastly, with respect to DOD-VA collaboration, while there are many—still many issues to address, we've been very impressed with the level of involvement of both—leadership of both agencies. However, with all of the legislative proposals and policy revisions, it is imperative that a joint permanent structure be in place within the—both agencies to evaluate the changes, monitor the systems, and make further recommendations for process improvement. It must be structured in a way not to bog down the—be bogged down in bureaucracy, and must have a clearly defined mission with the appropriate authority to make changes and recommendations, as warranted.

These issues have received much attention over the past several months, but will likely fade from the National stage over time. Without such a joint structure in place, other issues will arise, and we may, though well-intentioned, find ourselves in the same situation, 3 to 5 years from now.

Finally, while the agencies share joint responsibility for resolving this problem, WWP strongly believes that Congress must also reevaluate its current means of addressing these issues. Due to the committee's jurisdictional boundaries, it is often difficult to address issues facing these injured and transitioning servicemembers. For example, under the Traumatic Servicemembers Group Life Insurance, a small portion of the servicemember's paycheck goes into the Department of Defense and, if required, is paid out through the VA. Without overlapping jurisdiction, these injured brave men and women will continue to be stuck in limbo, because there's no mechanism to resolve problems. Therefore, WWP is proposing this cre-

ation of a Joint Select Subcommittee on Transition between both the Armed Services and Veterans Affairs Committees in both the House and the Senate. This subcommittee would not require additional members, simply the shared jurisdiction and participation of those already in place. Such an action would signify to injured servicemembers and their families that Congress understands their needs and is willing to take the difficult steps to resolve their problems.

Thank you. And I'll look forward to your questions. [The prepared statement of Ms. Beck follows:]

Senator BEN NELSON. Thank you.

Master Chief Barnes?

STATEMENT OF MASTER CHIEF JOSEPH L. BARNES, USN (RET.), NATIONAL EXECUTIVE SECRETARY, FLEET RESERVE ASSOCIATION

Chief Barnes: Mr. Chairman, Senator Graham, thank you for this opportunity to present the concerns of The Military Coalition.

The extensive Coalition statement reflects the consensus of TMC organizations and extensive work by eight legislative committees, each comprised of representatives from the Coalition's nearly three dozen military and veterans organizations. I will briefly address key Active Duty and retiree recommendations, and my colleagues will then address other issues.

But first, I wish to thank you and the entire subcommittee for the steadfast and strong support of our military personnel, retirees, veterans, and their families and survivors, and particularly for recently enacted Wounded Warrior enhancements.

Sustaining adequate Active, Guard, and Reserve end strengths to effectively prosecute the war effort and other demanding operational commitments is vital to our National security, and TMC urges strong support for Army and Marine Corps end-strength increases in fiscal year 2009. Wearing down the force contributes to serious morale, readiness, and retention challenges.

Restoring military pay comparability remains a top priority, and TMC urges this distinguished subcommittee to authorize at least a 3.9-percent pay hike. We appreciate your leadership, authorizing past higher-than-ECI Active Duty pay hikes. And, despite significant progress on compensation levels, there's a significant lag between ECI data collection and the implementation date, and a 3.4-percent pay gap remains.

Housing standards determine local housing allowance rates, which need to be revised to more appropriately reflect where servicemembers are living. For example, only E–9s, which comprise 1 and one-quarter percent of the enlisted force, are eligible for BAH for single-family detached homes. TMC supports integrating the Guard and Reserve MGIB and the active Duty Montgomery GI Bill laws under Title 38, along with other MGIB reform initiatives.

And in considering the transfer of education benefits to spouses, it's important to not forget the appropriate—approximately 20,000 currently serving VEAP-era personnel who are not authorized to enroll in the MGIB.

The coalition appreciates the extension of the combat- related special compensation to disabled retirees who were forced to retire

before attaining 20 years of service, and for those rated unemployable by the VA. However, major inequities remain, and TMC urges this distinguished subcommittee to act on recommendations of the Veterans Disability Benefits Commission and implement a plan to eliminate the reduction of VA disability compensation for military retired pay for all disabled retirees.

Finally, the coalition remains committed to adequate funding to ensure access to the commissary benefit for all beneficiaries, and MWR programs must be adequately funded, accordingly.

Providing adequate programs, facilities, and support services for personnel impacted by BRAC actions, rebasing initiatives, and global repositioning is very important, particularly during wartime, which alone results in significant stress on servicemembers and their families due to demanding operational commitments, repeated deployments, and other service requirements.

Thank you, again, for the opportunity to present our recommendations. Kathy Moakler will now discuss family readiness, military spouse, and survivor issues. [The prepared statement of Chief Barnes follows:]

Senator BEN NELSON. Thank you.

Ms. Moakler?

STATEMENT OF KATHLEEN B. MOAKLER, DIRECTOR OF GOVERNMENT RELATIONS, NATIONAL MILITARY FAMILY ASSOCIATION

Ms. Moakler: Chairman Nelson, Senator Graham, thank you for the many military-family-friendly provisions included in the fiscal year–2008 NDAA.

We are happy that you have recognized the important role that families play in supporting our servicemembers in all stages of deployment. Excellent support programs exist. It is important to find out which programs families are finding most effective, and focus resources toward supporting those programs. The evaluation process and the reports required in the fiscal year–2008 NDAA should help accomplish that.

Enhancements to the Family Medical Leave Act on behalf of the families of the wounded are most timely and have already been implemented. We also appreciate the FMLA changes proposed for families in the midst of deployment, and hope they, too, can be implemented soon.

You also recognized the excellence of the Yellow Ribbon Reintegration Program from Minnesota by calling for it to be implemented by the Reserve component in all States and territories. We recognize its excellence, as well, but feel the implementation would be carried out more thoroughly across the board if the program were adequately funded. The reintegration process, taking the initiative to educate families along with the returning servicemember, acknowledging the challenges of reconnecting as a family, and providing information and tools to accomplish this is too important to ask already thin financial resources to be stretched further.

As deployments continue, military families can be stressed to the breaking point. We emphatically ask that you recognize that greater access to mental health care and counseling for returning servicemembers and families is vital. Military children, the treas-

ure of many military families, have shouldered the burden of sacrifice with great pride. Many programs have been created with the goal of providing support and coping skills to our military children during this great time of need. We appreciate this subcommittee's requirement to report from DOD on programs that touch military children and their caregivers, and hope the report results can be quickly transformed into more effective programs.

Family members with special needs need extra consideration. We recommend extending the ECHO program for 1 year for eligible families who are retiring or being medically retired to aid in transition to civilian support programs.

A fully funded, robust family readiness program is crucial to military readiness. As deployments continue, families must know there is a secure, yet flexible, set of support services available to them to reinforce readiness and build resiliency.

While military childcare centers have consistently been ranked highest in national ratings, families still experience access problems. Despite new centers and funding provided last year, there is still a shortfall of over 30,000 spaces. Increased needs for respite care for both the families of the deployed and families with special needs also add new strains to the system. While some of the services have broadened access to childcare for geographically dispersed families, especially for Guard and Reserve families, some have not. We ask the committee remain committed to helping all military families access quality childcare.

Education is important in military families. The education of military children is a prime concern for their parents. The need for DOD-provided supplemental funding for impact aid is increasing, and we ask for that increased funding. We also ask this subcommittee to allow all school districts experiencing a significant growth in their military student population due to BRAC, global rebasing, or installation housing changes to be eligible for the additional funding currently available only to districts with an enrollment of at least 20 percent military children.

Military spouses face unique employment challenges as they deal with deployments and relocations. We appreciate the partnerships being developed between DOD and the services with the Department of Labor and employers. Extending military-spouse preference to all Federal agencies would expand employment opportunities for this most mobile of workforces. Spouses value education as a way to enhance their employability. We hope that ways can be found to implement a broader transferability of the GI Bill or tuition assistance for military spouses.

Despite the implementation of long-awaited full- replacement-value reimbursement, servicemembers still have concerns as they anticipate moving from one installation to another. Permanent change-of-station allowances have not kept up with today's expenses. PCS mileage rates have not been adjusted since 1985. Temporary lodging expenses have not been increased in 7 years. If they are moving to an installation that is receiving a huge influx of troops and families, they may be confronted with insufficient housing capacity, both on and off the installations, overcrowded schools, and a shortage of other community support structures.

We hear from military spouses how they would like to have a professional equipment weight allowance, whether it is for the items they collect as they run much-needed in- home daycare or the paperwork and resources they accumulate as volunteer family readiness group leaders.

The Military Coalition urges the subcommittee to upgrade PCS allowances to better reflect the expenses members are forced to incur in complying with government- directed moves.

We also urge the subcommittee to closely monitor rebasing and BRAC plans and schedules to ensure sustainment and timely development of adequate family support, quality- of-life programs.

We appreciate your continuing attention to the needs of the families of those who have made the greatest sacrifice: the survivors of those who have died as a result of Active Duty service. The TMC views the special survivor allowance as a first step towards the repeal of the SBP-DIC offset. We would urge the subcommittee to expand eligibility for this allowance to all SBP-DIC survivors.

We hear from the survivors of retirees that the practice of recouping the final months retired pay adds an unnecessary financial stressor at a time the survivor is dealing with reams of paperwork.

We thank you for your consideration of all these issues. And now I turn the microphone over to Mike Cline. [The prepared statement of Ms. Moakler follows:]

Senator BEN NELSON. Thank you.

Sergeant Cline?

STATEMENT OF MASTER SERGEANT MICHAEL P. CLINE, USA (RET.), EXECUTIVE DIRECTOR, ENLISTED ASSOCIATION OF THE NATIONAL GUARD OF THE UNITED STATES

Sergeant Cline: Thank you.

Mr. Chairman, Senator Graham, we thank you for holding these hearings, on behalf of the men and women who make up our Nation's National Guard and Reserve component.

Thanks to the diligent work of the Congress and this subcommittee, the National Guard and Reserves have proven they are a ready, reliable, and relevant force. Today, almost 700,000 National Guard and Reserve members have been called to Active Duty for Operations OEF and OIF, and 173,000 have been deployed multiple times. More than 527 National Guard members have made the ultimate sacrifice for freedom.

Mr. Chairman, one of the most asked-about issues that faces the Associations of The Military Coalition is the early retirement provision passed last year. It was signed into law by the President in January of this year. However, this vital piece of legislation didn't provide retroactively back to October of 2001, when our Guard and Reserve members began deploying. EANGUS and the member organizations of The Military Coalition are opposed to the lack of retroactivity. We believe it sends a message, loud and clear, that the budget of the United States has a higher priority than the lives sacrificed in its defense.

Although the estimates by the Congressional Research Service is in excess of $2 billion over 10 years, we believe the demographics used by the CRS are overinflated. Based on the Defense Advisory Committee on Military Compensation Report in 2005, only 47 per-

cent of officers and 15 percent of enlisted will remain in uniform long enough to qualify for retirement. Of the Guard's end strength of approximately 460,000, only 5,227 of those will be eligible for early retirement. Even if you include the Federal Reserves, the costs will not amount to $2 billion over 10 years. We ask the committee to endorse Senator Chambliss's bill, S. 2836, to include retroactivity, those who have so proudly answered the call of our country. In this year of political chaos and debate over the war in Iraq, we don't ask that you endorse the war, but we do ask that you support those who have answered the call to duty. Please support our troops.

We are most grateful to the Congress for adopting the 10-year post-service readjustment benefit for National Guard and Reserve veterans of Iraq and Afghanistan, and others who have served on Active Duty on contingency operations, but additional upgrades are needed to fully match the MGIB with the needs of all warriors who serve in the 21st century. We ask that you authorize a month-for-month MGIB entitlement for reservists who serve multiple Active Duty tours for up to 36 months, integrate our Reserve and Active Duty MGIB laws under Title 38, restore basic Reserve MGIB benefits for drill service for 47 to 50 percent of the active Duty rates, change the "14 year from date of eligibility" rule to "as long as you're a member in good standing" in the Guard and Reserve, and, last, authorize up-front reimbursement of tuition or training coursework.

The Commission on the National Guard and Reserves rendered their report on January 31st of this year. It made 95 recommendations. The majority of the document discounts the importance of the Reserves and a militia. The report recommends diminishing the full-time support workforce in the Guard and replacing them with Active-component soldiers. Today, with heavier commitments and more deployments, full- time support is critical to the mission for success. This necessary full-time force pays dividends in preparing lives for war, and cannot be sacrificed on the economic altar. We oppose degrading the full-time support program for the Guard and Reserve.

EANGUS agrees with the Commission that the Chief National Guard Bureau should be promoted to general and have a seat on the Joint Chiefs of Staff. There is no representation that relates the homeland security mission so critical to America. The Chief National Guard Bureau brings that focus to the panel. Likewise, the top officers at NORTHCOM need to be National Guard, due to the complexity of coordinating with individual States and their governments.

Duty status reform—either on Active Duty or not, the Commission considers in-Active Duty training as Active Duty, and therefore, recommends adjusting the pay from receiving 1 day's pay per drill period to 1 day's pay for 1 day's work. This will reduce the Department of Defense's liability for pay, benefits, and retirement, but it also reduces the financial benefit to Guard and Reserve members to include a reduction of retirement points and potential recruiting and retention problems. We stand opposed to this recommendation.

Mr. Chairman, Senator Graham, thank you for the opportunity to express the views of The Military Coalition. We look forward to working with your subcommittee. [The prepared statement of Sergeant Cline follows:]

Senator BEN NELSON. Thank you, Sergeant.

Colonel Strobridge?

STATEMENT OF COLONEL STEVEN P. STROBRIDGE, USAF (RET.), DIRECTOR OF GOVERNMENT RELATIONS, MILITARY OFFICERS ASSOCIATION OF AMERICA

Colonel Strobridge: Thank you, Mr. Chairman and Senator Graham. My portion of the Coalition testimony will address healthcare issues.

We certainly fully support the comments Meredith made on care for wounded warriors and their families, and we applaud what the committee did in first-step actions in this year's Defense Authorization Act, but we do think that—that is only a first step, and we have a long way to go.

In that regard, continued collaboration between this committee and the Veterans Affairs Committee is going to be absolutely essential. We still have some—a lot of problems to deal with on that front.

Meredith mentioned some of the eligibility continuity problems encountered by families after disability retirement. We believe that members and families who are forced from Active Duty because of service-caused disabilities should retain Active-Duty-level TRICARE coverage for 3 years. The new law does that only for the servicemember, and only when VA care is available. That's too limited and too vague for troops and families facing extended rehab requirements after leaving Active Duty. Families shouldn't be caught between differing definitions of what VA care is available, as they are now. We allow 3 years Active-Duty-level coverage for survivors when a servicemember dies on Active Duty. To us, the severely wounded and their families deserve no less. Examples of those kinds of things—Meredith mentioned the cognitive therapy issue. We have people who are in the ECHO program who lose their benefits when they're retired, per diem for family caregivers, those kinds of issues.

We're also concerned that there's no central oversight to ensure that all departments and services implement best practices from all the various ongoing military, VA, and civilian test projects on TBI and PTSD. We including—we urge including this responsibility under the newly legislated DOD-VA Interagency Program Office for establishing a related office for that purpose.

Finally, we support the disability retirement model in which DOD accepts VA-assigned disability ratings, but we still need to address interservice differences on what conditions are deemed unfitting or pre-existing. We oppose doing away with the DOD disability retirement system, as some have envisioned, which would substantially reduce retirement benefits for many wounded warriors, and we don't think that was the intent of this exercise.

On TRICARE fees, you know we oppose the large increases proposed by DOD in the recent task force, and we urge restoring the $1.2-billion budget cut. We think it's wrong that the task force fo-

cused only on cost to the Government, with barely a sentence on what military people earn for their career of sacrifice. In 2001, the new administration's officials praised TRICARE for Life, but now act as if no one expected that healthcare expenses for retirees over 65 would be very high. We can't see what changed during the past 6 years of war that makes the military community any less deserving of their benefit.

The plan to raise drug co-pays 100 to 400 percent would put them higher than most civilian plans. The Blue Cross/Blue Shield plan that the Military Officers Association offers every one of our employees has lower co- pays, across the board, than DOD proposes. DOD would quintuple the retail generic co-pay from $3 to $15. That's more than 87 percent of civilian plans' charge. Wal-Mart offers generics to anybody who walks in the door, for $4 for 400 generic drugs.

The Coalition believes military benefits should be driven by standards and principles, not the budget. Just as we have statutory standards for most other major compensation elements, we urge the subcommittee to put some standards in this year's defense bill using S. 604 as the model. Fundamental among these are that military retirement and health benefits are the primary offset for the extraordinary sacrifices inherent in two or three decades of military service, that military people pay steep premiums for care, over and above the cash fees they pay in retirement, and pay them up front in service and sacrifice over multiple decades; and, finally, that the percentage increase in fees in any year shouldn't exceed the percentage increase in military compensation.

Two years ago, you met with us and DOD leaders to urge us to work together to find ways to reduce costs in ways that don't hurt military people. We took that very seriously, and we identified 16 ways, and have offered, repeatedly, to partner with the Defense Department on those. The Defense Department has refused, until just recently. Thanks to Dr. Cassells and General Granger, they're now looking at several of our proposals. And we will be willing partners in that effort, if we're allowed.

One final item, a recent GAO report confirmed that Guard and Reserve members are overcharged for TRICARE Reserve Select by about $50 for single people and $175 a month for families. We urge the subcommittee to cut TRS fees and direct refunds. We continue to believe—and the Guard and Reserve Commission agreed—that the Government will save money and Reserve families will be better served by authorizing an optional subsidy to continue their civilian family coverage when mobilized, just as we already do for DOD civilians.

That concludes my remarks. Thank you very much for your consideration. [The prepared statement of Colonel Strobridge follows:] [SUBCOMMITTEE INSERT]

Senator BEN NELSON. Thank you very much, Colonel.

The first question I have is—and we'll start with you, Colonel, and then open it up to the panel—is with respect to the co-pay. I know you're objecting to the amount of the increase. Is it possible—would you oppose any increase, or is it because this increase is such a high percentage increase—is there any room for negotiation here, between the DOD and the retired service?

Colonel Strobridge: Sir, I think we come back to the issue that—what we want to do is get out of the drill where the budget drives the negotiation, where all we're talking about is money. That's where we come down to the principles that we'd like to put in law to recognize that military people do pay more than cash. And, you'll notice, we have always supported S. 604, which does not say—we recognize that it's unrealistic to say "no fee increases, ever." What we're trying to do is establish reasonable principles. And what S. 604 does is, it puts some constraints on the Secretary's authority, so you don't go 10 years recommending no increases and then try to quadruple them in 1 year. And S. 604 says, we'll put that cap at saying the percentage increase in any year can't exceed the percentage increase in compensation.

Senator BEN NELSON. Well, you certainly have a sympathetic ear—two years here—four ears here—[Laughter.]

Senator GRAHAM. Three, actually. I can't hear out of this ear. [Laughter.]

Senator BEN NELSON.—with us, because we've been concerned about that steep increase all of a sudden after 10 years of nothing.

Colonel Strobridge: Yes, sir.

Senator BEN NELSON. So, that's why I want to explore if there was.

Would there be any other comments about that? Do you share Colonel Strobridge's, or are we faced with the choice, doing what he's suggesting and TRICARE for Life, with no change?

Chief Barnes: Senator, I would concur with the Colonel's remarks. I would also expand on his comments with regard to the impact of—in considering these drastic fee hikes with regard to enlisted personnel—career enlisted personnel that retired before the significant pay hikes that have been enacted since 1999, the drastic nature of these hikes after no adjustments, which DOD was authorized to implement since, I believe, 1995, is—been met with serious concern.

Also, it's a morale issue within those—in the ranks of those currently serving, and we're—we hear a great deal of comment about that, and anxiety about what the future holds.

Ms. Beck: Sir, if I could, on a related issue, those who are medically retired and are so severely injured that they're actually eligible for Medicare, they not only have to pay these fees, they have to pay for Medicare Part B, as well. So, what it turns out is, the person who is the most severely injured ends up paying the most for their care, and I'm not sure that that's quite what we intended on that issue. So, that's a related issue to address.

Senator BEN NELSON. Ms. Moakler?

Ms. Moakler: You brought up TRICARE for Life. We do believe that those folks who are paying for TRICARE for Life are already paying more than those who are paying for the retiree care of TRICARE Prime. And so, we would—we certainly would not like to see an extra payment for those folks for TRICARE for Life, because they're already paying in other ways.

We agree with The Military Coalition, that we would not like to see the drastic increase, but we do believe that there is a call for a certain increase to go along with rising medical prices. We wouldn't like to see increase in the co-payments at this time.

Senator BEN NELSON. In terms of access to healthcare, what are you hearing from your membership about access to healthcare under TRICARE? Obviously, there may be some differences between Guard and Reserve and others, but generally what are you hearing?

Ms. Beck?

Ms. Beck: The access question coming from the doctors is that it's so difficult for them to take TRICARE, due to the bureaucratic issues, that they actually usually have to hire someone, in addition to the people that they have, just to process their bills for TRICARE. The servicemembers themselves are—it's not necessarily a question of the TRICARE, they—again, on the injured side, they get caught between the two systems, in that one is supposed to be paying for it, the other one's supposed to be paying for it, and then no one's paying for it. So, the question for them is—you can be in the most urban area and still be stuck without care.

The Wades are a good example, again. They were—they live in Chapel Hill, in the Research Triangle, and they weren't able to access the care that they needed, because of the restrictions in TRICARE on cognitive therapy, and then due to certain restrictions within the VA. So, that's—it's not a Guard and Reserve issue, which it's very important there, but it's also an issue of regulations that are in place, and not allowing people to enjoy the benefits of that.

Senator BEN NELSON. Having a care manager assigned, would that be beneficial in trying to smooth out those challenges that occur because you've got a couple of different programs?

Ms. Beck: The recovery coordinators that have been established have been tremendously helpful to the families for—who have received them. It takes a very proactive person to understand both of these systems, as well as the private sector, and to understand how to maneuver between them. The problem is, there are currently only six Federal recovery coordinators, and—with approximately 50-some servicemembers that they're serving. And, while that has been very helpful, without that overlap of benefits that Steve mentioned and that was included, and the proper implementation of that, then we're not going to be giving them the authority they need to resolve the problems. And often, they run up against the law in providing the services.

Colonel Strobridge: Sir, if I may comment on that.

Senator BEN NELSON. Colonel?

Colonel Strobridge: One of the things that we're—we've—for years, we've heard anecdotal evidence, you know, "Gee, I can't find a doctor to take either Medicare or TRICARE" in this area or that area. The—we appreciate what the committee's done to try to help us survey participation. That's been a big help. But, we are—because of this annual problem with the Medicare cuts, and because TRICARE is tied to those cuts, we're really seeing an escalation of that. It's ironic that you mention it, because last week we got a letter from my spouse's doctor saying, "We're dropping you." They had previously stopped taking new ones, but had grandfathered her. Now we've got a letter saying, "I'm sorry, we're just not going to put up with it, this sort of annual cuts is—and, plus, the administrative requirements, is too much of a hassle."

So, even in this area, where there are a lot of doctors, you can find people, but it takes—it can take some effort. And more and more of those are saying—even military people, who are very sympathetic, are saying, "Look, I just can't lose money this way."

Senator BEN NELSON. Sergeant?

Sergeant Cline: Mr. Chairman, as you're aware—and I know Senator Graham is well aware of this—is that, because of the remote locations of Guard and Reserve people, multiply that problem out there with them trying to gain access. We know for a fact that in Alaska most doctors will not accept TRICARE because of the bureaucracy that they have to go through.

Ms. Moakler: And we're hearing from families about their problems with access to specialty care, because so many of—in the military treatment facilities, so many of the specialty-care docs are in theater, and there may not be robust enough support in the network to take care of those families.

Senator BEN NELSON. That might be true even in the active Duty situation, as well?

Ms. Moakler: Yes.

Colonel Strobridge: Sir, something that I meant to put in my testimony, and I just remembered it, I couldn't remember it before this morning—you know, we've talked—Meredith talked about the mental health issue, and we all know the terrible problem we had, the National problem with not enough people to see these folks. Well, it's even worse with TRICARE, because, last year, you may know that Medicare, and thus TRICARE, actually cut the amounts they pay mental health providers. And so, it's tougher for—to get them than anybody else. We are going to have a real disaster coming up.

And one of the things that I meant to ask you was to look at increasing payments, statutorily, for TRICARE for mental health providers. We have to do almost anything possible to try to find ways to get people to care that they're not getting now. And if we have to increase it until we do something else—to me, that's something we really need to look at.

Ms. Beck: One last point, sorry. The question that Steve mentioned on mental health, one proposal would be to allow Active Duty to use some of the 200-and-some vet centers that are around the country to, not only get the help that they need, but also to avoid the stigma of having to report through the chain of command.

Senator BEN NELSON. There are efforts, in some areas to try to coordinate Active Duty care with veterans programs, veterans hospitals, clinics, and what have you, recognizing that many Guard and Reserve members are, in fact, stranded away in remote locations by comparison. And so, making that available seems to be one of the answers to the problem that we ought to take under advisement to make sure that the mental health care is being adequately compensated.

Chief Barnes: Senator, if I could also expand on the Guard and Reserve remote access issue, this is also a serious issue for personnel serving on Active Duty in recruiting—on recruiting duty, also with members of the United States Coast Guard that rely on the system for care. And many of them are assigned well—some

distance from military treatment facilities, and this is a big challenge for them.

Senator BEN NELSON. Well noted, thank you.

Senator Graham?

Senator GRAHAM. Well, thank you, Mr. Chairman. As always, this is very informative.

What did people do before TRICARE?

Colonel Strobridge: They used—

Ms. Moakler: Oh, they had the CHAMPUS program.

Colonel Strobridge: They used CHAMPUS and had similar problems.

Senator GRAHAM. Okay. And—right. And before CHAMPUS?

Colonel Strobridge: That was before my time, Senator. [Laughter.]

Senator GRAHAM. Basically, what we're talking about is third-party pair coverage—

Colonel Strobridge: Right.

Senator GRAHAM.—has worked its way—

Colonel Strobridge: Before CHAMPUS—

Senator GRAHAM.—into the military—

Colonel Strobridge:—I think it was in-house.

Senator GRAHAM.—yeah—into the military community, which has been a good thing. Because if you go back before CHAMPUS, it was—you'd go to a VA center or some other DOD facility; if you were lucky, you would get in. So, the whole idea of expanding the network to include private hospitals and private physicians has been a good idea. And the problems you're talking about are just endemic to third-party payment—Meredith, the coverage issue. I mean, there are a thousand anecdotal stories about chelation therapy. Now, Medicare may not authorize that, there may be a body of people say, "You know, that sounds good, but we don't think it's something we want to invest in." So, that's why this is important for you to tell us the type services that are available out there and you're not getting covered, and we can look at it and see whether or not, from our point of view, it should be added to the mix.

In 1987, when TRICARE came along, you're right, there has been no premium increases. We've got to deal with it. But, I agree with you, they've just, kind of, dumped it all over, all at one time.

The—in terms of a good deal, in 1987 it was 91 percent of the services were covered by the patient, 9 percent—or, excuse me, by the services and—the government—9 percent by the patient. Now, that ratio has changed to where it's not 9 percent anymore, it's a lot less. So, from the government's point of view, the amount of coverage being offered is out of kilter with the private sector, but, at the same time, you don't make it all up at once time, and you don't put a burden on people, you know, that—you know, 400-percent premium increase.

And it is budget-driven, to some extent, I'll be honest with you. I mean, since there's not unlimited resources to run every program in the government, 12 percent, 14 percent of the budget in DOD's going to be healthcare in the next 20 years, and that competes with all the other things that are important to families and readiness.

So, what I want to do is take your 16 suggestions about how to save money, sit down, go over it myself with DOD, then come up

with a way to implement some premium changes that are not draconian, look at how you can save money and how you can expand services. The one thing I want to look at TRICARE is how to make it—not just from the costs, but how to make it a better quality benefit. There are probably some things that could be offered in TRICARE, that are not being offered, that would keep you out of the hospital. You know, there are some things that we could do.

Now, when it comes to coordinating between the DOD and the VA, Meredith, that is a—you know, being a military lawyer for 25 years, one of the big things you want to do is keep everybody on Active Duty who wants to stay on Active Duty. You know, one of the big fights that most servicemembers have is, they don't want to leave the military. So, we want to make sure that those boards that are held, the medical boards, give people a chance to make the case that, "I can still serve." Then, to those who obviously can't serve, to make it just as painless as possible, not get caught up in this bureaucracy.

And the committees coordinating is never going to happen, I think, until you get a seamless system out there that works, because the committee oversight probably is just—makes no sense.

So, I'm going to focus on trying to make sure that, from the moment you leave the battlefield, injured, that there is no gap in coverage, and that you have as much access as possible from every available system, whether it be DOD, VA, or the private sector, and you get what you need, because that's the whole point of Wounded Warriors.

Now, this idea of GI benefits, that's going to be a big issue in this Congress. The one thing that I've been thinking of for quite a long time is, How can you take that GI benefit and use it to the maximum benefit of the servicemember and their families? And that's where transferability needs to be put in the mix. I am convinced that a lot of people would stay on Active Duty if it would—if their benefit could be transferred to their spouse or their children. You know, after 3 years, you get 36 months of tuition assistance at $1100. Well, the average cost of a State school now, Mr. Chairman, is $1500. So, we need to bump it up. We need to bump up the benefit.

And I think what we need to add into the mix—we're thinking about, after 6 years of Active Duty service, you could transfer half your benefit to your spouse or your child; and after 12 years, you could transfer all of it. Half the people eligible for VA educational benefits never avail themselves of it. So, my program may actually be more expensive than some other ideas out there, but I think it would make the program more meaningful.

And the goal is that, if you'll serve our country to the 12-year point, that, when it comes time to send a kid to college, that you'll have that college paid for through your VA benefits, that—you may not use it, but your child can use it. I think that would really help families out there a lot.

So, those are the type things that we're talking about, and the VEAP program—who mentioned that?

Chief Barnes: I did.

Senator GRAHAM. We're not going to leave those people behind.

Chief Barnes: Thank you.

Senator GRAHAM. Now, that's just—that's the right thing to do. Whatever I do is going to include a benefit for those folks. And going back to 2001 is a good idea, you know, in terms of the early retirement.

But, having said all of that, every benefit that we build into the system has an out-year cost, and the goal is to treat people fairly, to get the best healthcare we can as soon as we can to those who are the most severely injured, to make it an attractive endeavor to stay in the military, to—that a rewarding career that has a benefit to you and the ones that you love most, and that when your 20 years is up, or your 30 years is up, you can look back with pride and say, "Not only did I serve my country well, but I'll have a lifetime of—a lifetime annuity and access to decent healthcare." That's the goal.

And so, your testimony, as far as I'm concerned, Mr. Chairman, is invaluable, and we're going to deal with the growth of medical costs in the budget, we're going to phase in some increases that have to be bitten, you know—confronted in a way that's not draconian, and so we can get this back on a sustainable field.

And just as important to me is to, maybe, expand TRICARE, in terms of what's available out there, to make it a more robust benefit, a benefit that keeps people well. And I think we could do more there.

So, I just appreciate your testimony, and we'll be rolling out a veterans GI enhanced benefit bill here soon that will have transferability in it, something I think will help families out there.

God bless you.

Senator BEN NELSON. Thank you.

Senator GRAHAM. It wasn't a question. It's just a—[Laughter.]

Senator GRAHAM.—rambling comment. But, I do appreciate what you've brought to our attention. The 3-year deal, that's a good idea, to make sure that 3 years of TRICARE coverage—

Chief Barnes: Thank you for your leadership on all these issues, Senator. Very much appreciated.

Senator GRAHAM. Well, I think Senator Nelson and I understand that we've got this job at an unbelievable time. No one has ever envisioned a war like this. It's an All- Volunteer Force. There are more contractors in theater, in many ways, than our Active Duty people. We've never gone to war with a contract force like this. We've never gone to war with this much participation by the Guard and Reserve over a sustained period. And so, it's now time to reshape the benefit package to meet the reality of a war that is—forever changed the Guard and Reserve. And I think it's forever changed the family service component of the Volunteer Force. And we're going to get more soldiers and more marines. That's coming. And that will help.

Ms. Beck: Sir, if I could, one point on that, that we—this is a different type of warfare than we've ever experienced, and we have far fewer casualties than we've had in the past, and this is an opportunity to take those families who are injured and who are so severely injured, and treat them as individuals, and not as a statistic or a number or a category.

Senator GRAHAM. Absolutely.

Ms. Beck: And that they can—they can—it'll save money in the long term to do it right the first time. So—

Senator GRAHAM. Well, that's the least we can do, and this war—the casualties that we have sustained have been, in many cases—there are people living in this war that would have never lived through any other war. And that is the great news, and hats off to the doctors and nurses and healthcare providers who have gotten them off the battlefield, back home. But, some of 'em are coming back home in really, really bad shape. And so, we'll do our part to help 'em.

Sergeant Cline: Senator, if I can add something—while you're looking at the healthcare benefit, one of the things that has recently come to light is—the Task Force on Healthcare said that they could save $24 million for every 1 percent that move to the TRICARE mail-order pharmacy program. What we would like to see is that that mail-order pharmacy be no cost to the member, and it would save TRICARE an immense amount if all—currently, only 8 percent of the people out there are using the mail-order pharmacy.

Senator GRAHAM. I've heard that. And a lot of pharmacies push back. But it makes sense to me, particularly about some, you know, average, everyday drugs, that you just go get 'em refilled. And so—

All right. Thank y'all.

Senator BEN NELSON. Thank you, Senator Graham.

And clearly, the stress on the families, as well as the servicemembers, has been incredible. Changing the Guard and Reserve to an operational force, as opposed to their previous capacity, I think, has changed, significantly, the nature of the military for the future. And obviously, the TRICARE program and other benefits programs have to be patterned to deal with the reality of where the Guard and Reserve, for example, are, as well as the active Duty. So, I think that we've got a lot to do, but I think we have some sort of a blueprint as to how to go about doing this.

And in that regard, if I could move from talking about the healthcare portion and go more to the cumulative effect of being at war for over 6 years, and what the implications are to the family. Both the Army Chief of Staff and the Commandant of the Marines—Marine Corps—have referred to what they've—they've said, and this is their word, "brittleness" of military families because of this cumulative effect of 6 years. So, I guess I'd ask you to comment on what your members tell you about the impact on military families of 15-month deployments, although we're seeking to have that changed. But, it's certainly, in the past, 15-month deployments of Active Duty personnel, and then repeated mobilization and deployments, so the length and the number of deployments and redeployments, and what it—what do your members say that that is—has had as an impact on their families?

Ms. Moakler: Well, I think the 15-month deployments, we were hearing from families that the servicemember was missing two Christmases or two birthdays or two anniversaries. And somehow that—it just made that second iteration that much more poignant and that—harder to deal with. And families are getting tired. They were resilient in the first deployment. They figured, "Well, we've already been through it once, so we can certainly get through an-

other deployment." But, each deployment is different, because the families are not in the same place. The single—the couple with no children the first deployment might have toddlers the second deployment, or you might have an elderly parent that now the spouse that's left behind has to shoulder the burden for. So, it's a continual learning experience, because it's never the same. It's never the same.

And—but—and I can attest to this, because my daughter had two deployments—the burden is still there. The burden is always there. But, the way that you have to react to different things that happen to the deployment is always a challenge.

Colonel Strobridge: Sir, I think we're almost in a surreal situation. And we've been in situations in the past, whether it's on, you know, when—back when we were capping pay raises and everybody was saying, "Gee, you can't keep doing this, you know. You're going to have a problem, sooner or later," and everybody would say, "Gee, retention is fine." That's kind of what we're hearing now. Everybody says, "Gosh, retention is fine, and it's even higher in the deployed units." And it's almost as if they're saying people like being deployed. Well, that just defies common sense. And to us it's sort of like driving in the rearview mirror. If you're only measuring what's happened in the past, and not talking—not listening to people about what they're saying they're going to do, you're headed for a problem. And I realize it's very difficult to do much about it. You either have to deploy less or get a much bigger force, and either of those is pretty hard to do in the short term, but I just can't help feeling we're whistling past the graveyard on retention.

Senator BEN NELSON. Well, we had a—this is the most unusual letter that I can recall, a letter from a mother, saying, "Please deploy my son." [Laughter.]

Senator BEN NELSON. That is the exception. And—for obvious reasons. Some of the rest of you might have some thoughts about this, from your own experience and talking to your members.

Chief Barnes: Mr. Chairman, I just want to comment on the impact to the individual augmentees with regard to the Navy. I believe the total is in the 10,000 to 11,000 range.

Senator GRAHAM. No, it's more than that. [Laughter.]

Senator GRAHAM. No, I may—I don't mean to be an advocate for the Navy. You know, it's almost 20,000 now.

Chief Barnes: Well, that has significant impact—

Senator GRAHAM. In Afghanistan, when you include Afghanistan.

Chief Barnes: Okay.

Senator BEN NELSON. Professional courtesy, huh?

Senator GRAHAM. Yeah. Yeah.

Chief Barnes: I believe that was Iraq.

Senator GRAHAM. The Navy is really contributing, is what I wanted to—unlike anything—

Chief Barnes: Certainly. And that—

Senator GRAHAM.—any other time in a land war, the Navy is really contributing, here.

Chief Barnes: And when these individual augmentees are—receive orders, they are pulled out, and that impacts staffing, manning, based on their job specialty and what have you, certain job specialties, ratings in the Navy are significantly more impacted

than others. It's my understanding that the Navy's continuing drawdown does not take that into effect, and that's a concern, and I've heard it voiced informally in interaction with uniformed senior enlisted leaders. So, I just wanted to make that point with regard to the Navy, and the Coalition—it's referenced in our statement—the Coalition remains concerned about the ambitious drawdown—continuing drawdown with both the Air Force and the Navy, given the challenges associated with bringing personnel back, should the drawdown have to be reversed. And it's impossible to just grow these folks with technical skills overnight. So—

Senator GRAHAM. Mr. Chairman, I don't mean to interrupt, but that's a good point. The Air Force and the Navy—the Air Force is running, for the most part, Camp Bucca, the largest military prison, probably, ever in history. You've got an Air Force—a lot of Air Force enlisted guys driving trucks from Kuwait. And just a ton of Navy people out there, doing things to augment the Army and the Marine Corps. And that's why I share your concern about drawing the Air Force—you know, the Air Force gave up on end strength so they could just have some money to put into an aging air fleet. The bottom line is, Mr. Chairman, the country doesn't spend enough on defense. We're at about 3.6 of GDP; historically, it's been over 5 percent since Vietnam; it was 18 or 19 percent during World War II. Part of the problem, I think, is we just don't have enough money to meet all of our defense needs.

Sergeant Cline: Mr. Chairman, while we see, in the Guard and Reserve, some pushback from first-time enlistees who have been mobilized, and it may have some impact on our career guardsmen and reservists, but where we're starting to see problems arise now is with the employers. You know, when a soldier is gone for 2 or 3 years, it has a definite impact, and we're starting to see more and more of that as employers are not hiring Guard and Reserve people, are starting to give them more hassles where they've had to turn to the Department of Labor to get resolved.

Senator BEN NELSON. Well, there certainly has been a lot of forbearance on the part of employers in many cases, and—but, it has to wear thin at some point when you have the multiple deployments, and not very clear on whether there'll be another deployment in the near future, having gone through the military as much as the deployments have. So, there's no question but what that's going to continue to be—become a bigger problem as the deployments continue.

Ms. Moakler, you stated that the NMFA held a summit on military children in a time of war, and I think that's an excellent amount of research that, I'm sure, was compiled. Can you tell us a little bit more, from your perspective, about that project?

Ms. Moakler: Well, we have piggybacked the research, as it is, on our Operation Purple Camps. It provided a perfect area to look at the children. We surveyed, not only the children, but also the parents. The children, on how they felt that they were dealing with deployment; and the parents, on how they felt the children were dealing with deployments. The survey was done, the research is being done by the RAND Corporation, and the results will be released within the next week or two. But, overall, we're concerned

about what the continued deployments are going to—what the impact is going to be on these children.

Senator BEN NELSON. What age of children did you—

Ms. Moakler: They were—

Senator BEN NELSON.—did they test?

Ms. Moakler:—campers, 6 or 7 years old, on—to 18 years old.

Senator BEN NELSON. So, the whole range.

Ms. Moakler: But, we're also working with the zero-to- 3 folks, looking at the impact of deployments on very young children, and that they are also included when we are looking at the overall effects of deployment on children.

Senator BEN NELSON. Will the study tell us whether there are differences between the reaction of younger children versus older children?

Ms. Moakler: The study that's coming out right now will not. We expect to do expanded research. We just received funding to do that over the next several years, and we're hoping to include the effect on younger children in that research.

Senator BEN NELSON. In terms of childcare, you—Ms. Moakler, you stated that the NMFA was disappointed to learn that the Air Force is no longer funding for Air Force families that are not currently enrolled in either Military Child Care in Your Neighborhood or Operation Military Child Care, leaving over 375 Air Force families on an indefinite wait list. Can you tell us a little bit more about the programs and what the lack of funding is depriving these families of?

Ms. Moakler: The Military Child Care in Your Neighborhood is a program that is available to folks who are located near military installations. It's a program that's available in the capital region. It would be available outside of any major installation, to accept the overflow or the inadequacies of the spaces that are available at the Child Development Center on the installation. And what it does is, it subsidizes the children of mostly Active Duty servicemembers for childcare in already—in civilian child development centers.

The Operation Military Child Care is a program that is specifically for activated Guard and Reserve, and that's—gives a subsidy to those families and allows them to have childcare when the servicemember is deployed.

And just recently we learned that the Air Force is not funding this program. They are continuing to fund those families that were already in the program, but they are not allowing any new families to take part in the program, causing a lot of consternation with folks who read about the programs, understand that they're out there, and then suddenly find the door shut in their face. They have—the Air Force has piggybacked on the Navy program to pay for those positions that are already occupied by families, but we are concerned that we have an unequal benefit for those families, and we're not offering the same benefit to those Air Guard, Air Force Reserve, and, indeed, Air Force families—Active Duty Air Force families that are available to the families of the other services.

Senator BEN NELSON. So, the other services are making those funds available.

Ms. Moakler: Yes.

Senator BEN NELSON. Just the Air Force—

Ms. Moakler: Originally, it was a DOD program run out of GWOT funds, and then those funds went away, and the other services absorbed that cost.

Senator BEN NELSON. Sounds like one of those budget issues, Colonel, that you referenced earlier.

The service requirement for members who leave service short of 20 years and delay the date at which a servicemember may draw retired pay, the Commission believes the current generation of young people today would prefer and expect such a retirement system. You've already raised the question about the retirement program. What, besides extending Senator Chambliss's bill, should be done for military retirement? Is there anything, beyond what's currently before us?

Colonel Strobridge: Well, the—sir, the things that are out there now, I think we have a lot of doubts about. The things that are coming out of the Defense Advisory Committee on Military Compensation and the Guard and Reserve Commission, where they're talking about merging the retirement systems and having early vesting and delay payment of retired pay on immediate annuity until 57 to 62, I think those of us who have been force managers in the past have a lot of concern. I look at today's force and, you know, try to put myself in the shoes, as hard as it would be, of a person with 10 years of service who's facing, you know, orders for their third or fourth tour in Iraq, and they have a choice between saying, you know, "I'll let you take part of your retirement if you walk, but if you stay and serve a career, you have to stay until age 57 and keep doing this to get an immediate annuity"—we don't see that as a positive retention tool.

Senator BEN NELSON. More of a disincentive—

Colonel Strobridge: Exactly.

Senator BEN NELSON.—for retention, isn't it?

Colonel Strobridge: Exactly. The—historically, sir, over the last several decades, we've had lots of retirement proposals. As you know, for very good reasons, most of them are—have been looking to save money, one way or another. And the thing we're concerned about is, if you have a thing—a new proposal that essentially pays a lot of money to people who voluntarily leave, who don't get money now, that money's probably going to come from the pockets of the people who stay for a career, and we're very concerned about that.

Senator BEN NELSON. In the corporate world when they do that, it's usually considered a buy-out—

Colonel Strobridge: Exactly.

Senator BEN NELSON.—for a reduction in the number of personnel; whereas, with the military, we're constantly looking for ways to retain more, with bonuses and other incentives, and then you face certain disincentive programs. It's in conflict.

Colonel Strobridge: Right. The concern we have about the healthcare, very frankly, one of the big ones, is, it's tantamount to a reduction of a couple thousand dollars a year in retirement benefits, which reduces the pull to retirement. And so, to us, you know, any of these things—the retirement system is the big force-management tool, the 20-year "cliff vesting," there's no doubt about, it's a very blunt instrument. But, what—yet, there—somebody from the Congressional Research Service used a phrase I like—what it

makes up for—what it lacks in subtlety, it makes up for in impact. [Laughter.]

Colonel Strobridge: And it's a very powerful tool. And I think we have to be very careful to mess with it. I think one of the reasons we're still seeing the retention we are, despite all these terrible things we're imposing on people, is the power of the 20-year retirement system.

Chief Barnes: Mr. Chairman, I just wanted to expand on Steve's comments.

There's a really strong emphasis on comparing military benefits to civilian benefits. And a point we continually make is that service in the military is much different than working in the civilian world.

And the second point is, there's also a dollars-and- cents aspect of cost analysis that is usually predominant, not taking into effect the—or, into consideration the importance of military service, and the value of military service, in conjunction with maintaining our National defense and security.

Sergeant Cline: Mr. Chairman, I would like to just reflect on the Guard and Reserve. Going to age 62, I believe, with the increased OPTEMPO of the Guard and Reserve, the fact that, just a few short years ago, we mobilized 50,000 national guardsmen to serve down in the Gulf Coast for Katrina, there is not a day that goes by that the National Guard isn't being mobilized for one thing or another, and the OPTEMPO keeps getting bigger and bigger and bigger. And what we're doing is, we're saying, "Well, we're not going to give you an early retirement, we're going to defray it for another 2 years." I think it would be a big dissatisfaction to our Guard and Reserve members.

Senator BEN NELSON. Yes, we should not lose sight of the fact that the Guard, in particular, is under the direction of the Governor for domestic issues that—such as disasters and, you know, like in your State—having been a Governor and having had a TAG report to me, I'm very much aware, and very sensitive to making sure that our Guard is able to be responsive to the needs of the State when those needs arise. So, we absolutely need to keep that in mind, because that's potentially part of the temps—OPTEMPO that can be faced. We can be—you can be deployed back, you can be deployed domestically in your State for 2 or 3 or more weeks to respond to a national disaster. That's not necessarily on the drawing board of the Guard planning here in Washington, at the Pentagon.

Sergeant Cline: Yes, sir.

Senator BEN NELSON. What about full-time staffing. You know, the—Sergeant Cline, you state, in your testimony, that with the heavier commitments and more deployments, the Guard's full-time support program is critical to mission success and the Army Guard is funded for less than 60 percent of their full-time support requirements. The last Baseline Requirements Assessment performed by the Army Guard, according to the information provided to the subcommittee, was completed back in 1999. Would you agree that the Army and the Air Force should complete a top-to-bottom reassessment of full-time manning requirements before Congress increases

these levels beyond the agreed-upon ramp that DOD is currently considering?

Sergeant Cline: Well, I don't think you can stop the ramp, sir. And the reason I say that is, when you already have an understaffed force, you know that you need to get up to this 90- or 95-percent level of full-time manning. You have to remember, these are the people that work, day in and day out, to support these guardsmen. They're the ones that are at the armories, helping to recruit soldiers and airmen. You know, they're the ones that—when the call from the Governor comes, they're the ones that are on the phone getting these soldiers and airmen to report in so that we can deploy. They're also the ones that are making sure that our equipment is maintained at a level that we can deploy, whether it be for a domestic mission or OEF or OIF. So, I think—while we wait for a study, I think we have to continue on the Army's ramp to bring that full-time manning level up.

One of the things that we're concerned with is, back in the '70s and '80s we used to have a Active Army advisor in a lot of units. We find that most Active-component soldiers do not understand the National Guard. And then, you also have the problem that if the Governor calls, what's this active-Duty soldier do? You know, can he deploy with the unit? And then, you have the rotational problem. You don't have that history of somebody being in that unit that knows the people, knows the unit, knows the mission.

Senator BEN NELSON. So, bringing in Active-Duty personnel to fill those slots is not the answer to the staffing issue.

Sergeant Cline: Not in our opinion, it's not, sir. I think the AGR program that we currently have, and the military technician program we have, has been a huge success. These people are overworked; in my opinion, underpaid; and they continue to perform, day in and day out.

Senator BEN NELSON. Any other thoughts with regard to that? I guess, primarily, the Army-Air Force. So—

One other subject in the prepared testimony by The Military Coalition, the—it advocates the adoption of flexible spending accounts for servicemembers. And since TRICARE covers and pays for many types of care that traditional civilian health plans don't, perhaps somebody could explain the benefits that a servicemember and/or his dependents could realize from a flexible spending account.

Colonel Strobridge: Yes, sir. We believe—it's really ironic that just about the only people in America who don't have access to flexible spending accounts are military people—Active-Duty, Guard, and Reserve. When you look at the military program, people have expenses for things like eyeglasses, contacts, copayments on braces, copayments on pharmaceuticals—childcare is a big one. We deploy, you know, a parent; obviously, they need more childcare, which is one of the elements of the flexible spending account. And yet, these folks in—are the only people in America that we don't allow this tax deduction for. We realize that is not under your jurisdiction. We appreciate the support that the committee has given us on this. To us—and the odd thing is, it doesn't take a law change. DOD has the authority to do it. They have just chosen not to, for some unknown reason. To us—we just can't under-

stand why military people shouldn't be able to use the same benefit that everybody else in America has.

Senator BEN NELSON. Well, at least we ought to write a letter to DOD and ask them why—

Colonel Strobridge: Yes, sir.

Senator BEN NELSON.—they draw a distinction between TRICARE beneficiaries and the rest of the population.

Colonel Strobridge: But—

Ms. Beck: Sir—

Colonel Strobridge: But, please remember, it's not just healthcare, it is childcare, as well.

Senator BEN NELSON. Sure.

Ms. Beck: Sir, and there are, again, a number of things that TRICARE does not cover, that could be helpful in this arena. You know, Medicare—there are certain ARMs that Medicare will cover and TRICARE won't. And the co-pay for that is $20,000. So, to be able to accommodate that with that type of care would be helpful.

Senator BEN NELSON. Have you developed any idea of what level the flexible spending account should be? From what figure to what figure would you be recommending? Or do you—or have you looked at it, at that level?

Colonel Strobridge: Sir, all we're—all we've proposed is, make them eligible for the same program that is currently available to Federal civilians, just like we've done with the Thrift Savings Plan. You know, to us, that would be perfectly acceptable.

Senator BEN NELSON. One further thing. Chief Barnes, in your written testimony, you advocate a larger role for the Department of Defense in providing the opportunity for overseas servicemembers to vote. Obviously, with this election coming up, it's important for us to have more information about your thoughts. How can Congress or DOD improve the current system, keeping in mind that, under the U.S. Constitution, voting is primarily a matter of State law and that DOD is somewhat limited in what it can require of servicemembers? So, we're at somewhat of a disadvantage, but do you have any thoughts about how we might be able to overcome that disadvantage?

Chief Barnes: Yes, Mr. Chairman. Thank you for that question.

We are very concerned about statistics that indicate that less than half of the absentee ballots that were cast in the last presidential election were actually counted, because of various challenges associated with casting those ballots, with requesting absentee ballots, with regard to postmarks, with regard to how the ballots are handled, as you say, at the State level. We believe that there's an opportunity to perhaps explore using technology to—more effectively, to request ballots and communicate the need for ballots, and then submit them via regular channels or cast the ballots via the mail service. We are working with the Pew Charitable Trust on this issue, trying to learn more about this. We're also mindful that considerable resources have been committed to demonstrations of voting via the Internet, and there have been security concerns, and those have not been successful. So, thank you for that question. We continue working that issue.

Senator BEN NELSON. Well, I think it's legitimate to continue to work on it. I really do. And I hope that you're able to come up with

some suggestions that will work. There are security issues, obviously. There are States that are moving away from the voting machines, going back to paper ballots. So, the U.S. mail probably will continue to be a significant part of the process. But, I hope that we could find a way to facilitate, so that you don't end up with, as many as you are suggesting, maybe half of the ballots not getting counted because of technical deficiencies, which are important and can't be ignored, but how do we—how do we get the process streamlined to where we don't run into those, where you've got a postmark problem or delay in getting the ballot? And technology may be able to help us in that regard, at least.

Chief Barnes: Yes, sir. The participation in the process is very, very important. It's a high priority for the Association and our Coalition partner organizations. So, we appreciate your attention to that, and we will continue working this issue and share any additional information we may have on that, or recommendations, to yourself and the staff.

Senator BEN NELSON. Sure. Thank you.

Well, we're coming close to the time to come to a—to the end. But, before we do, what have we not asked that we should have? And what do we not know that we should know, from your perspective? Please feel free.

Colonel?

Colonel Strobridge: I see your staff cringing, sir. [Laughter.]

Senator BEN NELSON. Well, they know everything. [Laughter.]

Senator BEN NELSON. It's the people sitting here that don't know much. [Laughter.]

Colonel Strobridge: They know what happens when they ask us that question. [Laughter.]

Colonel Strobridge: The—I think the only comment that I would like to add—you know, one of the—when Senator Graham was talking about the relative share of DOD costs, one of the things that we think is essential to recognize on that—and, very frankly, when DOD talks about that, we have a great deal of problem with it—not to recognize that costs have an increase, but the other part of that equation—you know, whenever you're dealing with a fraction, you've got a numerator and a denominator. And that denominator is influenced by procurement holidays—you know, if the denominator goes down, all of a sudden, gosh, the percentage that's consumed by healthcare is bigger. The other part is that the DOD healthcare system is not built for efficiency. It says, very frankly, that the retired customer is last. You know, they get whatever is left. The DOD healthcare system is built for readiness. When we deploy people overseas, we deploy the doctors, and that means that the patients have to go downtown, which is more expensive. We have commanders robbing money from the hospitals to meet their readiness costs; that means you reduce the number of drugs in the formulary, people have to go downtown. And the commander doesn't care, because that cost goes to DOD.

We've got three different services competing for money, we've got three contractors competing for money—four contractors, with the pharmacists. A lot of 'em don't talk to each other. A lot of 'em don't like each other. And the last thing they do, really, is work together effectively.

And so, to us, a big share of the cost increases that DOD talks about are readiness-driven cost increases, they're costs of doing military business. And to us, those kinds of things should not—the beneficiaries should not share any percentage of that. So, talking about percentage of DOD cost, to us, doesn't make any sense. That's why we come back to the standard of saying it should be tracked to their income increases, not to DOD costs. DOD's shown—I mean, we've pushed a lot of initiatives to try to reduce DOD costs. DOD has resisted them.

Chief Barnes: Mr. Chairman, an issue that is very challenging is reform of the Uniformed Services Former Spouses Protection Act. And we're mindful that, I believe, for the second year in a row, the Department has forwarded some recommendations from the study to look at that issue. So, I'd just add that—bring that to your attention. And that's addressed in our statement also.

Senator BEN NELSON. Okay.

Ms. Moakler: I agree with Joe Barnes on that. We do believe that there are inequities, and that both sides would be well served by implementing the recommendations of the DOD report.

I just want to remind the committee about expectations of military families. We have wonderful programs out there. We want them—we want to fulfill the expectation of military families, that they be able to access them, no matter where they go, no matter what installation they're at, no matter the state of that installation because of BRAC or reorganization, or whether—depending on the component that they belong to. The President, in his State of the Union Address, established an expectation for military families on this transferability of the GI Bill. We hope that if and when it is included in a new GI Bill, or changes to the GI Bill, that we consider all the ramifications so that we don't disappoint any of those spouses and children who are expecting to be able to access that across the board.

Ms. Beck: Sir—

Sergeant Cline: Mr. Chairman—oh, I'm sorry, go ahead, Meredith.

Ms. Beck: Go ahead.

Sergeant Cline: No.

Ms. Beck: I was just going to touch, one last time, on the idea of the oversight. Since 9/11, we have changed our force structure, we've changed how we go to war, we've—the agencies have changed, but we haven't structurally addressed how we treat these servicemembers when they come back either injured or severely injured. While we debate back and forth over whose responsibility they are to take care of, they fall through the cracks. And starting with Congress having that joint committee, that Joint Subcommittee on Transition, or something similar to it, would be hugely beneficial to the servicemembers directly. It may not be the most interesting topic in the world to them, and they not know it, but having that joint oversight would really help to address a number of the near misses as we discuss this.

Senator BEN NELSON. Do you think it would facilitate what everybody likes to talk about—seamless—everybody likes to talk about it, and yet, every time we have hearings and we ask

servicemembers how seamless it is—it isn't seamless yet. [Laughter.]

Senator BEN NELSON. It would be wonderful if we can implement the changes that will be necessary to make sure that it is exactly that.

Ms. Beck: These agencies are blurring the lines, and now we're asking Congress to do the same thing.

Senator BEN NELSON. It's not that there's no interest or that there's no effort, because there is both interest and effort, it's just that it's a herculean task to be able to overcome it and accomplish that desired seamless service.

Sergeant?

Sergeant Cline: Sir, one of the biggest problems that we're having in the mobilization process is dental funding and readiness. Ninety days is just not enough time to get a soldier ready to go, or an airmen ready to go, before they actually deploy. The current Delta Dental Program will not take somebody who's enrolled in a program from a category 3 to a category 2 for mobilization purposes. So, we need to improve that dental program, but we also need to give the services the ability—and they know, a year out now, what units are going to go. In rare cases, some units don't have that flexibility. But, we need to start allowing dental readiness as soon as we know a unit's going to deploy, start the process then, not wait until 90 days out, where we have to pull somebody's teeth to get them to be able to deploy.

Senator BEN NELSON. Literally. [Laughter.]

Sergeant Cline: Literally.

Colonel Strobridge: Sir, if I may salve my conscience a minute here, I'm a little concerned that we may have—you know, we talked about a couple of things so often that I want to make sure that I foot-stomp a couple of examples, specific examples, and they entail mandatory spending, which I know is difficult for the committee. We'll be dealing with amendments, I'm sure. But, a couple of specific examples.

The committee did a wonderful thing last year in taking care of the combat-related special compensation for the people under 20. We are very grateful for that. The Disability Commission, though—and most of us have recognized that making a distinction between combat-related and noncombat-related is—awfully tough thing to do. When you get people who are—we've got a case of a person who, you know, pre-flighted a combat mission in an aircraft in bad weather, slipped on the wing, fell off and broke his back on the equipment. That was deemed noncombat-related. It was a weather condition. These are the kinds of distinctions that we make.

We have, now, under current law, with all the good things that Congress has done, a person who is early-retired with 15 years of service and a 50-percent disability is now—a noncombat disability—is on their way to have that phased out over a period of about 4 more years.

A person who has a 10-percent combat-related disability—I don't know what that is; maybe you get your finger shot off—with 20 years, gets their full retired pay.

But, a person who is in that circumstance, that—and that's a real person, a real case—a person with 19 years, 7 months of serv-

ice, has to pay their—lose their full disability—full retired pay. And we just think that's wrong. We need to do something for the people who are forced—the high-disability people who are forced into retirement before 20 years of service for noncombat reasons. We have to do something to ease that inequity.

The other thing is the survivors. And we realize that Congress did the $50 last year. You didn't have to do that, and we have spent a lot of effort trying to make sure that the survivors who see that as a slap in the face, very frankly, understand that this was done by people who are trying to take a step to help.

One thing I ask you to be aware of, just because it was brought forcefully to us, that even with that, and with the modest increases that go forth, just the COLA adjustments on the current DIC means they're losing another $20 a month every year that goes by. We would ask you, in your deliberation in conference and on the amendments, to be sensitive to that. We're hoping, now that Congress has recognized the inequity, to get to the point where we can look ahead and see an end to that, or see significant progress, where the amount of money those widows are losing every month isn't increasing. We need to make progress—real progress toward eliminating the offset.

Senator BEN NELSON. Anything further?

Sergeant Cline: I'd like to add—

Senator BEN NELSON. Yes.

Sergeant Cline:—something to surviving spouses, something that won't cost the government anything.

Senator BEN NELSON. That'd be—

Sergeant Cline: And that's to give—

Senator BEN NELSON.—that'd be refreshing.

Sergeant Cline:—surviving spouses space-A privileges. The airplane is going to go to a location. If there's a seat available on there—that spouse has made the ultimate sacrifice. Why not give them the seat on that aircraft, if it's available? Knowing that if they have to pay their own way home, they know that. Chances are, most of them won't take the benefit, but it's the Congress, the Department of Defense saying, "We recognize your sacrifice, and we're going to make this available to you as a benefit."

Senator BEN NELSON. Sounds like something that should be considered. I'm sure there's a bureaucracy associated with that sort of thing that will have an idea or two about it.

Sergeant Cline: Leave it up to DOD, sir. There's always a bureaucracy.

Senator BEN NELSON. That's right. And we'll find out about it, too.

Well, thank you, everybody. I appreciate your candor, your suggestions, and we will take them under consideration.

And this committee is now adjourned.

[Whereupon, at 4:12 p.m., the hearing was adjourned.]