

**Statement for
the Record**

**Reserve Officers Association of the United States
And
Reserve Enlisted Association**

for the

**Subcommittee on Personnel
Senate Armed Services Committee
United States Senate**

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"Serving Citizen Warriors through Advocacy and Education since 1922."TM



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The Reserve Officers Association of the United States (ROA) is a professional association of commissioned and warrant officers of our nation's seven uniformed services, and their spouses. ROA was founded in 1922 during the drawdown years following the end of World War I. It was formed as a permanent institution dedicated to National Defense, with a goal to teach America about the dangers of unpreparedness. When chartered by Congress in 1950, the act established the objective of ROA to: "...support and promote the development and execution of a military policy for the United States that will provide adequate National Security." The mission of ROA is to advocate strong Reserve Components and national security, and to support Reserve officers in their military and civilian lives.

The Association's 63,000 members include Reserve and Guard Soldiers, Sailors, Marines, Airmen, and Coast Guardsmen who frequently serve on Active Duty to meet critical needs of the uniformed services and their families. ROA's membership also includes officers from the U.S. Public Health Service and the National Oceanic and Atmospheric Administration who often are first responders during national disasters and help prepare for homeland security. ROA is represented in each state with 55 departments plus departments in Latin America, the District of Columbia, Europe, the Far East, and Puerto Rico. Each department has several chapters throughout the state. ROA has more than 450 chapters worldwide.

ROA is a member of The Military Coalition where it co-chairs the Tax and Social Security Committee. ROA is also a member of the National Military/Veterans Alliance. Overall, ROA works with 75 military, veterans and family support organizations.

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The Reserve Enlisted Association is an advocate for the enlisted men and women of the United States Military Reserve Components in support of National Security and Homeland Defense, with emphasis on the readiness, training, and quality of life issues affecting their welfare and that of their families and survivors. REA is the only Joint Reserve association representing enlisted reservists – all ranks from all five branches of the military.

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DISCLOSURE OF FEDERAL GRANTS OR CONTRACTS

The Reserve Officers and Reserve Enlisted Associations are member-supported organizations. Neither ROA nor REA have received grants, sub-grants, contracts, or subcontracts from the federal government in the past three years. All other activities and services of the associations are accomplished free of any direct federal funding.

INTRODUCTION

On behalf of our members, the Reserve Officers and the Reserve Enlisted Associations thank the committee for the opportunity to submit testimony on military personnel issues. ROA and REA applaud the ongoing efforts by Congress to address readiness, recruiting and retention as evidenced by incentives in several provisions included in the FY2010 National Defense Authorization Act (NDAA).

EXECUTIVE SUMMARY

The Reserve Officers Association CY-2010 Legislative Priorities are:

- Reset the whole force to include fully funding equipment and training for the National Guard and Reserves.
- Assure that the Reserve and National Guard continue in a key national defense role, both at home and abroad. Support citizen warriors, families and survivors.
- Provide adequate resources and authorities to support the current recruiting and retention requirements of the Reserves and National Guard.
- Support warriors, families and survivors.

Issues supported by the Reserve Officers and Reserve Enlisted Associations are to:

Changes to retention policies:

- Permit service beyond the current Reserve Officers Personnel Management Act (ROPMA) limitations.
- Support incentives for affiliation, reenlistment, retention and continuation in the Reserve Component.

Education:

- Increase MGIB-Selected Reserve (MGIB-SR) to 47 percent of MGIB-Active.
- Include 4-year reenlistment contracts to qualify for MGIB-SR.

Mobilization

- Provide differential pay for deployed federal employees permanently.
- Permit Reservists the option of accumulating leave between active duty orders, as well as selling it back.

Pay and Compensation:

- Reimburse a Reserve Component member for expenses incurred in connection with round-trip travel in excess of 100 miles to an inactive training location, including mileage traveled, lodging and subsistence.
- Obtain professional pay for Reserve Component medical professionals, consistent with the Active Component.
- Eliminate the 1/30th rule for Aviation Career Incentive Pay, Career Enlisted Flyers Incentive Pay, Diving Special Duty Pay, and Hazardous Duty Incentive Pay.
- Simplify the Reserve duty order system without compromising drill compensation.

Spouse Support:

- Expand eligibility of surviving spouses to receive Survivor Benefit Plan (SBP)-Dependency Indemnity Clause (DIC) payments with no offset.

Health Care:

- Improve continuity of health care for all drilling Reservists and their families by:
 - Monitoring the implementation of DoD paying a stipend toward employer's health care for dependents.
 - Allowing gray-area retirees to buy-in to TRICARE by mid-2010.
 - Providing Continuing Health Benefit Plan to traditional Drilling Reservists who are beneficiaries of TRICARE Reserve Select but are separated from the Selected Reserve to provide COBRA protections.
 - Permitting active members in the Individual Ready Reserve (IRR) who qualify for a 20-year retirement to buy-into TRICARE.
 - Allowing demobilized Retirees and Reservists involuntarily returning to IRR to qualify for subsidized TRS coverage.
 - Providing TRS coverage to mobilization ready IRR members; levels of subsidy would vary for different levels of readiness.
 - Improve post deployment medical and mental health evaluations of returning Reserve Component members.
- Fund restorative dental care prior to mobilization.
- Extend military coverage for restorative dental care following deployment to 90 days.
- Evaluate the Post Deployment Medical Evaluation process.
- Encourage a discussion on health care costs between Congress, DoD and non-profits.
- Protect military and veteran's health care from inclusion in national health legislation.

Voting

- Ensure that every deployed servicemember has an opportunity to vote by:
 - Working with the Federal Voting Assistance Program
 - Supporting electronic voting
- Ensure that every military absentee ballot is counted.



Only issues needing additional explanation are included below. Self-explanatory or issues covered by other testimony will not be elaborated upon, but ROA and REA can provide further information if requested.

READINESS DISCUSSION

Operational versus strategic missions for the Reserve Component: The Reserve forces are no longer just a part-time strategic force but are an integral contributor to our nation's operational ability to defend our soil, assist other countries in maintaining global peace, and fight in overseas contingency operations.

National security demands both a strategic and an operational reserve. The operational reserve requires a more significant investment of training and equipment resources, and

places greater demands on its personnel as compared to the strategic reserve. Those serving in operational reserve units must be fully aware of the commitment required to maintain the expected level of readiness. A similar awareness and commitment is necessary for those responsible for providing resources to the operational reserve.

Planners also must recognize that few individuals can remain in the operational reserve for an entire career. There will be times when family, education, civilian career, and the other demands competing for their time and talents take priority. Such an approach requires the ability to move freely and without penalty between the operational and strategic elements of the Reserve Component as a continuum of service.

Each service has its own force generation models and the services organize, train and equip their Reserve Components to a prescribed level of readiness prior to mobilization to limit post-mobilization training and to maximize operational deployment time. **ROA and REA urge Congress to continue to support and fund each service's authority to manage the readiness of its own reserve forces as one model does not fit all.**

Congress can play an important role by requiring reports from service leaders to ensure they have a plan for systematic augmentation, that the plan is adequately resourced, and that Reserve training and equipment will permit interoperability with the units they augment and reinforce. In an era of constrained budgets, a capable and sustainable Reserve and National Guard is a cost-effective element of national security.

Junior Officer and Enlisted Drain: As an initial obligated period draws to the end, many junior officers and enlisted choose to leave, creating a critical shortage of young people in the leadership conduit. This challenge has yet to be solved. ROA and the National Guard Education Foundation published a report suggesting solutions to the problem. Copies can be provided to the committee, or be found at <http://www.roa.org/JO-shortage>.

End Strength and Preparedness: It is noted that the only active service component to suffer cuts in the FY-2011 proposed budget was the Coast Guard which will have a reduction of 1,100 personnel.

The other active components appear to maintain their end strengths with inclusion of temporary increases for the Army and the Navy. It should be remembered that individuals cannot be brought quickly on to active duty on a temporary basis, but it is an accumulation of experience and training that is acquired over years that becomes an asset for the military. **Before cuts to the USCG are made, ROA and REA hope that Congress requests a report from the U.S. Coast Guard, Department of Homeland Security, on the effect in the short and long term.**

Traditionally, it has been the Reserve Component that has provided the temporary surge to fill-in the active duty numbers. The end strengths included in the President's budget appear to maintain current numbers. **ROA and REA are concerned that the ongoing cuts to the Navy's Reserve will continue and this is a trend that needs to be reversed.** A new manpower study needs to be done and published by the Navy Reserve to calculate the actual manning level: this study should be driven by readiness and not budgetary requirements.

With pending withdrawals from Iraq and Afghanistan, there is already talk within the beltway about future cuts to military end strength to help offset rising deficits. Many blame the

Global War on Terrorism for our current national debt, but part of high cost of the military is unpreparedness, and the bills borne by trying to create a force to match the need.

Following World War I, Lieutenant General James Guthrie Harbord, USA, General John J. Pershing's chief of staff, was quoted in a 1922 New York Times as saying, "The size of our debt, incurred through unpreparedness, brings a demand for economy, and we continue unprepared. Thus unpreparedness brings the debt, and the debt continues unpreparedness."

Without external threats, the USA has traditionally reduced the size of its armed forces. But since the 1990's the Pentagon has recommended proportional cuts be taken in the Reserve Component when taken in the Active force. This reasoning fails in many ways. It results in a hollowing out of the force and preparedness, undermines morale, and undercuts retention. National security is put at risk. There is a need to maintain a national position of readiness, and the Reserve component is a cost-effective solution of being prepared. **Should cuts be taken in the Active Component, the Reserve Component should grow in size to allow a place for readiness capability.**

PROPOSED LEGISLATION

Retirement - ROA and REA again thank the committee for passing the early retirement benefit in the Fiscal Year 2008 National Defense Authorization Act, as a good first step toward changing the retirement compensation for serving Guard and Reserve members, but ...

Guard and Reserve members feel that with the change in the roles and missions of the Reserve Component, their contracts have changed. Informal surveys keep indicating that earlier retirement remains a top issue asked for by Guardsmen and Reservists. They ask why so many Guard and Reserve members who have served in the Global War on Terrorism were excluded from the new benefit; they also ask why even earlier duty is not included; and if faced with the same risks as Active duty, why there is a 20 year difference in access to retirement pay?

1. **"ROA and REA" endorse S.831, National Guard and Reserve Retired Pay Equity Act of 2009**, which is a corrective measure to the Fiscal Year 2008 National Defense Authorization Act, including those Guard and Reserve members who have been mobilized since 9/11/2001. Over 600,000 were unfairly excluded. We realize the expense of this corrective measure scored by CBO is \$2.1 billion over ten years, but hope that offset dollars can be found.

2. ROA and REA don't view this congressional solution as the final retirement plan. The Commission on the National Guard and Reserve recommends that Congress should amend laws to place the active and reserve components into the same retirement system. Secretary of Defense Robert Gates refers to the Tenth Quadrennial Review of Military Compensation's comprehensive review of the military retirement systems for suggested reform. The latter report suggests a retirement pay equal to 2.5 percent of basic pay multiplied by the number of years of service.

ROA and REA agree that a retirement plan, at least for the Reserve Component, should be based on accrual of active and inactive duty. Early retirement should not be based on the type of service, but on the aggregate of duty. It shouldn't matter if a member's

contributions were paid or non-paid; inactive duty, active duty for training, special works or for mobilization. Under a continuum of service, this approach would provide both the Active or Reserve Component members with an element of personal control to determine when they retire and will encourage increased frequency of service beyond 20 years within the Reserve.

3. An additional problem arises for O-4 officers who, after a break in service, have returned to the Reserve Component. After being encouraged to return a number of officers find they are not eligible for non-regular retirement. When reaching 20 years of commissioned service they find they may have only 15 good federal years. Current policy allows these individuals to have only 24 years of commissioned time to earn 20 good federal years.

4. With an ongoing shortage of mid-grade officers (O-2 to O-3), Congress should reexamine the DOPMA and ROPMA laws to permit O-3s without prior enlisted service to be able to retire at 20 years of service. Many of badly needed skills that the services would like to retain, yet must be discharged if passed over for promotion to often.

ROA urges Congress to make changes in U.S. Code to allow O-3s and O-4s with 14 to 15 good federal years to remain on Active Duty or in the Reserve until they qualify for regular or non-regular retirement.

Education

1. *Montgomery "GI" Bill-Selected Reserve (MGIB-SR)*: To assist in recruiting efforts for the Marine Corps Reserve and the other uniformed services, **ROA and REA urge Congress to reduce the obligation period to qualify for MGIB-SR (Section 1606) from six years in the Selected Reserve to four years in the Selected Reserve plus four years in the Individual Ready Reserve, thereby remaining a mobilization asset for eight years.**

2. *Extending MGIB-SR eligibility beyond Selected Reserve Status*: Because of funding constraints, no Reserve Component member will be guaranteed a full career without some period in a non-pay status. BRAC realignments are also restructuring the RC force and reducing available paid billets. Whether attached to a volunteer unit or as an individual mobilization augmentee, this status represents periods of drilling without pay. **MGIB-SR eligibility should extend for 10 years beyond separation or transfer from a paid billet.**

Leadership

Both the Army and Air Force Reserve Chiefs may only be selected from general officers from that component's reserve, yet the Navy and the Marine Corps can select its reserve leadership from either active or reserve flag officers. (U.S. Code Title 10, section 3038 states that "The President, by and with the advice and consent of the Senate, shall appoint the Chief of Army Reserve from general officers of the Army Reserve..." and section 8038 uses similar language for the appointment of the Chief of the Air Force Reserve, while U.S. Code Title 10, section 5143 only requires the President to appoint the Chief of Navy Reserve from flag officers of the Navy, and section 5144 only requires the President to appoint the Commander, Marine Forces Reserve, from general officers of the Marine Corps.) The Reserve Chief of a service's reserve should have an understanding of both the citizen warriors who are reporting to him or her, and the system through

which the report. **ROA urges the Congress to change sections 5143 and 5144 of US Code Title 10 to only permit appointments from the service's Reserve Component.**

Military Voting

ROA thanks Congress for the improvements made to absentee voting in the FY-2010 Defense Authorization. Military personnel, overseas citizens and their families residing outside their election districts deserve every reasonable opportunity to participate in the electoral process. Yet, studies by Congressional Research Service show that 25 percent of military member and family votes were not counted in the 2008 election.

ROA and REA urge Congress to direct the Government Accountability Office to report further on the effectiveness of absentee voting assistance to Military and Overseas Citizens for the 2010 General Election and determine how Federal Voting Assistance Program's efforts to facilitate absentee voting by military personnel and overseas citizens differed between the 2008 and 2010 national elections. ROA and REA also hopes the Congress encourages the Secretary of Defense, in conjunction with States and local jurisdictions, to gather and publish national data about the 2010 election by voting jurisdiction on disqualified military and overseas absentee ballots and reasons for disqualification.

HEALTH CARE DISCUSSION

1. ROA and REA hold concerns over the implementation of TRICARE for gray area retirees. Rear Admiral Christine S. Hunter has shared that enrollment could be as early as July or as late as November 2010, and that it might be regionally rolled out. DoD wants to treat Reserve gray area retirees as a separate health care risk group which will likely drive up the cost of health care premiums as well. **ROA and REA hope that the committee will ask hard questions at a future hearing about the process, as individuals in the health care industry question the length of time and the approach being taken.**

2. Sustaining Reserve Health care. ROA and REA was disappointed to learn that *Continued Health Care Benefit Plan* is only allowed to members of the Selected Reserve if they have had a tour of active duty within the previous 18 months by DoD. This is denying COBRA protections for traditional Reservists who haven't be activated, and even overlooks the Secretary of Defense's directive to mobilize National Guard and Reserve members one year out of six, which would be a dwell time of 60 months between call-ups. There is little cost as the beneficiary pays a premium of 102 percent of TRICARE Cost.

A continuity of health care is needed if a continuum of service is to be seriously considered. Just as an active force needs to be provided military health, the Reserve Component needs to have a seamless health protection during different duty statuses. An as even discharged active service members have the benefit of the Continuing Health Care Benefit Plan, those Guard and Reserve members who have signed up for TRICARE Reserve Select need to have protections when they leave the Selected Reserve.

ROA and REA encourage Congress to work with the Pentagon to open up Reserve Component member access to the Continued Health Care Benefit Plan to any

TRICARE Reserve Select beneficiary separating from the Selected Reserve under conditions that are not punitive in nature.

3. Employer health care option: The ROA and REA continues to support an option for individual Reservists where DoD pays a stipend to employers of deployed Guard and Reserve members to continue employer health care during deployment. Because TRICARE Prime or Standard is not available in all regions that are some distance from military bases, it is an advantage to provide a continuity of health care by continuing an employer's health plan for the family members. This stipend would be equal to DoD's contribution to Active Duty TRICARE.

4. Dental Readiness. Currently, dental readiness has one of the largest impacts on mobilization. The action by Congress in the FY-2010 NDAA was a good step forward, but still more needs to be done.

In the first quarter of FY-2009, the Army Reserve was 48.8% dental class 1 or 2, Navy Reserve was 92.8%, Air Force Reserve 86.6 %, Marine Corps Reserve 77%, Air Guard 91%, Army Guard 48.2% and Coast Guard Reserve 83.2%.

While there has been slight improvement since FY-2007, the Army Reserve and Marine Corps Reserve have actually decreased their dental readiness which is due to large numbers of Class 4 servicemembers. Regardless none of the services have met the 95% dental readiness goal.

The services require a minimum of Class 2 (where treatment is needed, however no dental emergency is likely within six months) for deployment. Current policy relies on voluntary dental care by the Guard or Reserve member. Once alerted, dental treatment can be done by the military, but often times there isn't adequate time for proper restorative remedy.

ROA and REA continues to suggest that the services are responsible to restore a demobilized Guard or Reserve member to a Class 2 status to ensure the member maintains deployment eligibility.

Because there are inadequate dental assets at Military Treatment Facilities for active members, active families, and reservists, **ROA and REA further recommend that dental restoration be included as part of the six months TAMP period following demobilization.** DoD should cover full costs for restoration, but it could be tied into the TRICARE Dental program for cost and quality assurance.

TRICARE Health costs: ROA and REA applaud the efforts by Congress to address the issue of increasing Department of Defense (DoD) health care costs and its interest to initiate dialogue and work with both the Pentagon and the beneficiary associations to find the best solution. The time has come to examine the cost of TRICARE and the level of beneficiary contribution.

ROA and REA are committed to our membership to sustain this health care benefit. We fear that we will be unable to continue to sustain prohibitions on health care fees into the future. We need to work together to find a fair and equitable solution that protects our beneficiaries and ensures the financial viability of the military health care system for the future. Some

associations seek to continue a freeze on premium fees permanently; others are joining ROA and REA by admitting that some increases are necessary.

ROA and REA endorse a tiered enrollment fee and congratulate the Task Force for developing one based on annual income. As most Guard and Reserve members retire at 25 to 30 percent of active duty retirement pay, it makes sense that G-R enrollment fees should be lower. **ROA and REA do suggest that if enrollment fees are based on income that it be based just on military retirement income of Active and Reserve retirees.**

The ROA and REA do not endorse annual enrollment fees for individuals who don't use the TRICARE Standard plan. Eligibility should remain universal; a one-time administrative enrollment fee might be implemented with first use of the program.

If TRICARE Standard enrollment fees are increased, Congress needs to review the recommended deductibles and current co-payment levels. While TRICARE Prime is in the top 90 percent for cost generosity, TRICARE Standard is at a lower level of the spectrum of plan generosity.

6. National Health Care Plan. ROA and REA are concerned that the national health care legislation does not include specific language that preserves military and veteran health care programs under separate authorities. While there have been verbal guarantees from Congressional members and the President, getting the pledge in writing would curtail concerns.

CONCLUSION

ROA and REA reiterate our profound gratitude for the progress achieved by this committee by providing parity on pay and compensation between the Active and Reserve Components, with the sub-committee also understanding the difference in service between the two components.

ROA and REA look forward to working with the personnel sub-committee where we can present solutions to these and other issues, and offers our support in anyway.