



Testimony

of

The National Association for Uniformed Services (NAUS)

presented by

NAUS Legislative Director Rick Jones

before the

Senate Committee on Appropriations
Subcommittee on Defense Appropriations

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The Servicemember's Voice in Government

Established in 1968

Chairman Inouye, Ranking Member Cochran, and members of the Subcommittee:

It is a pleasure to appear before you today to present the views of The National Association for Uniformed Services on the Fiscal Year 2011 Defense Appropriations Bill.

My name is Rick Jones, Legislative Director of The National Association for Uniformed Services (NAUS). And for the record, NAUS has not received any federal grant or contract during the current fiscal year or during the previous two fiscal years in relation to any of the subjects discussed today.

As you know, the National Association for Uniformed Services, founded in 1968, represents all ranks, branches and components of uniformed services personnel, their spouses and survivors. The Association includes personnel of the active, retired, Reserve and National Guard, disabled veterans, veterans community and their families. We love our country and our flag, believe in a strong national defense, support our troops and honor their service.

Mr. Chairman, the first and most important responsibility of our government is the protection of our citizens. As we all know, we are at war. That is why the defense appropriations bill is so very important. It is critical that we provide the resources to those who fight for our protection and our way of life. We need to give our courageous men and women everything they need to prevail. And we must recognize as well that we must provide priority funding to keep the promises made to the generations of warriors whose sacrifice has paid for today's freedom.

Presently, we have under consideration the President's fiscal year 2011 defense budget request of \$708 billion for its discretionary and war funding. According to the defense department, this represents an increase of 3.4 percent from the previous year. In fact, however, that's about 1.8 percent real growth after inflation.

Last year, we heard defense secretary Gates order the defense department to come up with \$60 billion in cuts over the next five years. In fact, certain members of Congress are calling for cuts in defense spending. In certain quarters of Congress, congressional leaders have recommended a 25 percent cut in the defense budget.

The National Association for Uniformed Services is pleased with certain aspects of the President's recommendation, specifically those that laser focus on winning the wars in Iraq and Afghanistan. Choosing to win these wars, however, should not mean our country must assume greater risk in conventional national defense challenges or neglect to consider the very real emerging threats of the future.

We simply must have a strong investment in the size and capability of our air, land and naval forces. And we must invest in fielding new weapons systems today to meet the challenges of tomorrow.

We cannot depend on aging fleets of aircraft, ships and vehicles across the services. We must continue to drive towards modernization and make available the resources we will need to meet and defeat the next threats to our security.

Our nation is protected by the finest military the world has ever seen. The message our members want you to hear is simple and direct: Any one who goes into harm's way under the flag of the United States needs to be deployed with the best our nation can provide. We need to give our brave men and women everything they need to succeed. And we must never cut off or unnecessarily delay critical funding for our troops in the field.

The National Association for Uniformed Services is very proud of the job this generation of Americans is doing to defend America. Every day they risk their lives, half a world away from loved ones. Their daily sacrifice is done in today's voluntary force. What they do is vital to our security. And the debt we owe them is enormous.

Our Association also carries concerns about a number of related matters. Among these is the provision of a proper health care for the military community and recognition of the funding requirements for TRICARE for retired military. Also, we will ask for adequate funding to improve the pay for members of our armed forces and to address a number of other challenges including TRICARE Reserve Select and the Survivor Benefit Plan.

We also have a number of related priority concerns such as the diagnosis and care of troops returning with Post Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI), the need for enhanced priority in the area of prosthetics research, and providing improved seamless transition for returning troops between the Department of Defense (DoD) and the Department of Veterans Affairs (VA). In addition, we would like to ensure that adequate funds are provided to defeat injuries from the enemy's use of Improvised Explosive Devices (IEDs).

TRICARE and Military Quality of Life: Health Care

Quality health care is a strong incentive to make military service a career. The provision of quality, timely care is considered one of the most important benefits afforded the career military. The TRICARE benefit, earned through a career of service in the uniformed services, reflects the commitment of a nation, and it deserves your wholehearted support.

It should also be recognized that discussions have once again begun on increasing the retiree-paid costs of TRICARE earned by military retirees and their families. We remember the outrageous statement of Dr. Gail Wilensky, a co-chair of the Task Force on the Future of Military, calling congressional passage of TRICARE for Life "a big mistake."

And more recently, we heard Admiral Mike Mullen, the current Chairman of Joint Chiefs of Staff, call for increases in TRICARE fees. Mullen said, "It's a given as far as I'm concerned."

Fortunately, President Obama has taken fee increases off the table this year in the Administration budget recommendation. However, with comments like these from those in

leadership positions, there is little wonder that retirees and active duty personnel are concerned.

Seldom has NAUS seen such a lowing in confidence about the direction of those who manage the program. Faith in our leadership continues, but it is a weakening faith. And unless something changes, it is bound to affect recruiting and retention, even in a down economy.

Criminal Activity Costs Medicare and TRICARE Billions of Dollars

Recent testimony and studies from the Government Accountability Office (GAO), the investigative arm of the United States Congress, show us that at least \$80 billion worth of Medicare money is being ripped off every year. Frankly, it demonstrates that criminal activity costs Medicare and TRICARE billions of dollars.

Here are a couple of examples. GAO reports that one company billed Medicare for \$170 million for HIV drugs. In truth, the company dispensed less than a million dollars. In addition, the company billed \$142 million for nonexistent delivery of supplies and parts and medical equipment.

In another example, fake Medicare providers billed Medicare for prosthetic arms on people who already have two arms. The fraud amounted to \$1.4 billion of bills for people who do not need prosthetics.

TRICARE is closely tied to Medicare and its operations are not immune. According to officials at the TRICARE Program Integrity Office, approximately 10 percent of all health care expenditures are fraudulent. With a military health system annual cost of \$51 billion, fraudulent purchase of care in the military health system would amount to more than \$5 billion.

We need action to corral fraud and bring it to an end. What we've seen, however, is delay and second-hand attention with insufficient resources dedicated to TRICARE fraud conviction and recovery of money paid to medical care thieves. If one goes to the TRICARE Program Integrity Office web site, one sees a reflection of this inactivity. The most recent Fraud Report is dated 2008 and under "News," there are two items for 2010 and no items for 2009. The question we hear continually is whether anything is going on except talk about raising fees and copays.

As an example, NAUS is informed that the Department of Defense Inspector General reported fraud problems in the Philippines as long ago as 1998. Yet fraudulent payments continued for seven years, untended, merely observed, until finally, more than a year ago, action was taken to curb the problem and order a Philippine corporation to pay back more than \$100 million in fraudulent payments.

Our members tire of hearing they should pay more when they hear stories about or see little evidence of our government doing anything but sitting on its hands, often taking little to no action for years on this type of criminal activity.

NAUS urges the Subcommittee to challenge DoD and TRICARE authorities to put some guts behind efforts to drive fraud down and out of the system. If left unchecked, fraud will increasingly strip away resources from government programs like TRICARE. And unless Congress directs the Administration to take action, we all know who will be left holding the bag—the law-abiding retiree and family.

We urge the Subcommittee to take the actions necessary for honoring our obligation to those men and women who have worn the nation’s military uniform. Root out the corruption, fraud and waste. And confirm America’s solemn, moral obligation to support our troops, our military retirees, and their families. They have kept their promise to our Nation, now it’s time for us to keep our promise to them.

Military Quality of Life: Pay

For fiscal year 2011, the Administration recommends a 1.4 percent across-the-board pay increase for members of the Armed Forces. The proposal is designed, according to the Pentagon, to keep military pay in line with civilian wage growth.

The National Association for Uniformed Services calls on Members of Congress to put our troops and their families first. Our forces are stretched thin, at war, yet getting the job done. We ask you to express the nation’s gratitude for their critical service, increase basic pay and drill pay one-half percent above the administration’s request to 1.9 percent.

Congress and the administration have done a good job over the recent past to narrow the gap between civilian-sector and military pay. The differential, which was as great as 14 percent in the late 1990s, has been reduced to just under 3 percent with the January 2010 pay increase.

The National Association for Uniformed Services applauds you, Mr. Chairman, for the strides you have made, and we encourage you to continue your efforts to ensure DoD manpower policy maintains a compensation package that is reasonable and competitive.

We also encourage your review of providing bonus incentives to entice individuals with certain needed skills into special jobs that help supply our manpower for critical assets. These packages can also attract “old hands” to come back into the game with their skills.

The National Association for Uniformed Services asks you to do all you can to fully compensate these brave men and women for being in harm’s way, we should clearly recognize the risks they face and make every effort to appropriately compensate them for the job they do.

Military Quality of Life: Family Housing Accounts

The National Association for Uniformed Services urges the Subcommittee to provide adequate funding for military construction and family housing accounts used by DoD to provide our service members and their families quality housing. The funds for base allowance and housing should ensure that those serving our country are able to afford to live in quality housing whether on or off the base. The current program to upgrade military housing by privatizing Defense housing stock is working well. We encourage continued

oversight in this area to ensure joint military-developer activity continues to improve housing options. Clearly, we need to be particularly alert to this challenge as we implement BRAC and related rebasing changes.

The National Association for Uniformed Services also asks special provision be granted the National Guard and Reserve for planning and design in the upgrade of facilities. Since the terrorist attacks of Sept. 11, 2001, our Guardsmen and reservists have witnessed an upward spiral in the rate of deployment and mobilization. The mission has clearly changed, and we must recognize that Reserve Component Forces account for an increasing role in our national defense and homeland security responsibilities. The challenge to help them keep pace is an obligation we owe for their vital service.

Increase Force Readiness Funds

The readiness of our forces is in decline. The long war fought by an overstretched force tells us one thing: there are simply too many missions and too few troops. Extended and repeated deployments are taking a human toll. Back-to-back deployments means, in practical terms, that our troops face unrealistic demands. To sustain the service we must recognize that an increase in troop strength is needed and it must be resourced.

In addition, we ask you to give priority to funding for the operations and maintenance accounts where money is secured to reset, recapitalize and renew the force. The National Guard, for example, has virtually depleted its equipment inventory, causing rising concern about its capacity to respond to disasters at home or to train for its missions abroad.

The deficiencies in the equipment available for the National Guard to respond to such disasters include sufficient levels of trucks, tractors, communication, and miscellaneous equipment. If we have another overwhelming storm, hurricane or, God forbid, a large-scale terrorist attack, our National Guard is not going to have the basic level of resources to do the job right.

Walter Reed Army Medical Center

Another matter of great interest to our members is the plan to realign and consolidate military health facilities in the National Capital Region. The proposed plan includes the realignment of all highly specialized and sophisticated medical services currently located at Walter Reed Army Medical Center in Washington, DC, to the National Naval Medical Center in Bethesda, MD, and the closing of the existing Walter Reed by 2011.

While we herald the renewed review of the adequacy of our hospital facilities and the care and treatment of our wounded warriors that result from last year's news reports of deteriorating conditions at Walter Reed Army Medical Center, the National Association for Uniformed Services believes that Congress must continue to provide adequate resources for WRAMC to maintain its base operations' support and medical services that are required for uninterrupted care of our catastrophically wounded soldiers and marines as they move through this premier medical center.

We request that funds be in place to ensure that Walter Reed remains open, fully operational and fully functional, until the planned facilities at Bethesda or Ft. Belvoir are in place and ready to give appropriate care and treatment to the men and women wounded in armed service.

Our wounded warriors deserve our nation's best, most compassionate healthcare and quality treatment system. They earned it the hard way. And with application of the proper resources, we know the nation will continue to hold the well being of soldiers and their families as our number one priority.

Department of Defense, Seamless Transition Between the DoD and VA

The development of electronic medical records remains a major goal. It is our view that providing a seamless transition for recently discharged military is especially important for servicemembers leaving the military for medical reasons related to combat, particularly for the most severely injured patients.

The National Association for Uniformed Services is pleased to receive the support of President Obama and the forward movement of Secretaries Gates and Shinseki toward this long-supported goal of providing a comprehensive e-health record.

The National Association for Uniformed Services calls on the appropriations committee to continue the push for DoD and VA to follow through on establishing a bi-directional, interoperable electronic medical record. Since 1982, these two departments have been working on sharing critical medical records, yet to date neither has effectively come together in coordination with the other.

Taking care of soldiers, sailors, airmen and marines is a national obligation, and doing it right sends a strong signal to those currently in military service as well as to those thinking about joining the military.

DoD must be directed to adopt electronic architecture including software, data standards and data repositories that are compatible with the system used at the Department of Veterans Affairs. It makes absolute sense and it would lower costs for both organizations.

If our seriously wounded troops are to receive the care they deserve, the departments must do what is necessary to establish a system that allows seamless transition of medical records. It is essential if our nation is to ensure that all troops receive timely, quality health care and other benefits earned in military service.

To improve the DoD/VA exchange, the transfer should include a detailed history of care provided and an assessment of what each patient may require in the future, including mental health services. No veteran leaving military service should fall through the bureaucratic cracks.

Defense Department Force Protection

The National Association for Uniformed Services urges the Subcommittee to provide adequate funding to rapidly deploy and acquire the full range of force protection capabilities for deployed forces. This would include resources for up-armored high mobility multipurpose wheeled vehicles and add-on ballistic protection to provide force protection for soldiers in Iraq and Afghanistan, ensure increased activity for joint research and treatment effort to treat combat blast injuries resulting from improvised explosive devices (IEDs), rocket propelled grenades, and other attacks; and facilitate the early deployment of new technology, equipment, and tactics to counter the threat of IEDs.

We ask special consideration be given to counter IEDs, defined as makeshift or “homemade” bombs, often used by enemy forces to destroy military convoys and currently the leading cause of casualties to troops deployed in Iraq. These devices are the weapon of choice and, unfortunately, a very effective weapon used by our enemy. The Joint Improvised Explosive Device Defeat Organization (JIEDDO) is established to coordinate efforts that would help eliminate the threat posed by these IEDs. We urge efforts to advance investment in technology to counteract radio-controlled devices used to detonate these killers. Maintaining support is required to stay ahead of our enemy and to decrease casualties caused by IEDs.

Defense Health Program—TRICARE Reserve Select

Mr. Chairman, another area that requires attention is reservist participation in TRICARE. As we are all aware, National Guard and Reserve personnel have seen an upward spiral of mobilization and deployment since the terrorist attacks of Sept. 11, 2001. The mission has changed and with it our reliance on these forces has risen. Congress has recognized these changes and begun to update and upgrade protections and benefits for those called away from family, home and employment to active duty. We urge your commitment to these troops to ensure that the long overdue changes made in the provision of their health care and related benefits is adequately resourced. We are one force, all bearing a critical share of the load.

Department of Defense, Prosthetic Research

Clearly, care for our troops with limb loss is a matter of national concern. The global war on terrorism in Iraq and Afghanistan has produced wounded soldiers with multiple amputations and limb loss who in previous conflicts would have died from their injuries. Improved body armor and better advances in battlefield medicine reduce the number of fatalities, however injured soldiers are coming back oftentimes with severe, devastating physical losses.

In order to help meet the challenge, Defense Department research must be adequately funded to continue its critical focus on treatment of troops surviving this war with grievous injuries. The research program also requires funding for continued development of advanced prosthesis that will focus on the use of prosthetics with microprocessors that will perform more like the natural limb.

The National Association for Uniformed Services encourages the Subcommittee to ensure that funding for Defense Department’s prosthetic research is adequate to support the full range of programs needed to meet current and future health challenges facing wounded veterans. To meet the situation, the Subcommittee needs to focus a substantial, dedicated funding stream

on Defense Department research to address the care needs of a growing number of casualties who require specialized treatment and rehabilitation that result from their armed service.

We would also like to see better coordination between the Department of Defense Advanced Research Projects Agency and the Department of Veterans Affairs in the development of prosthetics that are readily adaptable to aid amputees.

Post Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI)

The National Association for Uniformed Services supports a higher priority on Defense Department care of troops demonstrating symptoms of mental health disorders and traumatic brain injury.

It is said that Traumatic Brain Injury (TBI) is the signature injury of the Iraq war. Blast injuries often cause permanent damage to brain tissue. Veterans with severe TBI will require extensive rehabilitation and medical and clinical support, including neurological and psychiatric services with physical and psycho-social therapies.

We call on the Subcommittee to fund a full spectrum of TBI care and to recognize that care is also needed for patients suffering from mild to moderate brain injuries, as well. The approach to this problem requires resources for hiring caseworkers, doctors, nurses, clinicians and general caregivers if we are to meet the needs of these men and women and their families.

The mental condition known as Post Traumatic Stress Disorder (PTSD) has been well known for over a hundred years under an assortment of different names. For example more than sixty years ago, Army psychiatrists reported, "That each moment of combat imposes a strain so great that ... psychiatric casualties are as inevitable as gunshot and shrapnel wounds in warfare."

PTSD is a serious psychiatric disorder. While the government has demonstrated over the past several years a higher level of attention to those military personnel who exhibit PTSD symptoms, more should be done to assist service members found to be at risk.

Pre-deployment and post-deployment medicine is very important. Our legacy of the Gulf War demonstrates the concept that we need to understand the health of our service members as a continuum, from pre- to post-deployment.

The National Association for Uniformed Services applauds the extent of help provided by the Defense Department, however, we encourage that more resources be made available to assist. Early recognition of the symptoms and proactive programs are essential to help many of those who must deal with the debilitating effects of mental injuries, as inevitable in combat as gunshot and shrapnel wounds.

We encourage the Members of the Subcommittee to provide these funds, to closely monitor their expenditure and to see they are not redirected to other areas of defense spending.

Armed Forces Retirement Home

The National Association for Uniformed Services is pleased to note the Subcommittee's continued interest in providing funds for the Armed Forces Retirement Home (AFRH). We urge the Subcommittee to meet the challenge in providing adequate funding for the facility in Washington, DC, and Gulfport, Mississippi.

And we thank the Subcommittee for the provision of funding that has led to the reconstruction of the Armed Forces Retirement Home in Gulfport, destroyed in 2005 as a result of Hurricane Katrina. And we look forward to the opening of the home scheduled for October 2010. NAUS is informed that when completed (the construction is 96 percent done, May 2010), the facility will provide independent living, assisted living and long-term care to more than 500 residents.

The National Association for Uniformed Services also applauds the recognition of the Washington AFRH as a historic national treasure. And we look forward to working with the Subcommittee to continue providing a residence for and quality-of-life enhancements to these deserving veterans. We ask that continued care and attention be given to the mixed-use development to the property's southern end, as approved.

The AFRH home is a historic national treasure, and we thank Congress for its oversight of this gentle program and its work to provide for a world-class care for military retirees.

Improved Medicine with Less Cost at Military Treatment Facilities

The National Association for Uniformed Services is also seriously concerned over the consistent push to have Military Health System beneficiaries age of 65 and over moved into the civilian sector from military care. That is a very serious problem for the Graduate Medical Education (GME) programs in the MHS; the patients over 65 are required for sound GME programs, which, in turn, ensure that the military can retain the appropriate number of physicians who are board certified in their specialties.

TRICARE/HA policies are pushing these patients out of military facilities and into the private sector where the cost per patient is at least twice as expensive as that provided within Military Treatment Facilities (MTFs). We understand that there are many retirees and their families who must use the private sector due to the distance from the closest MTF; however, where possible, it is best for the patients themselves, GME, medical readiness, and the minimizing the cost of TRICARE premiums if as many non-active duty beneficiaries are taken care of within the MTFs. As more and more MHS beneficiaries are pushed into the private sector, the cost of the MHS rises. The MHS can provide better medicine, more appreciated service and do it at improved medical readiness and less cost to the taxpayers.

Uniformed Services University of the Health Sciences

As you know, the Uniformed Services University of the Health Sciences (USUHS) is the nation's federal school of medicine and graduate school of nursing. The medical students are all active-duty uniformed officers in the Army, Navy, Air Force and U.S. Public Health Service who are being educated to deal with wartime casualties, national disasters, emerging diseases and other public health emergencies.

The National Association for Uniformed Services supports the USUHS and requests adequate funding be provided to ensure continued accredited training, especially in the area of chemical, biological, radiological and nuclear response. In this regard, it is our understanding that USUHS requires funding for training and educational focus on biological threats and incidents for military, civilian, uniformed first responders and healthcare providers across the nation.

Joint POW/MIA Accounting Command (JPAC)

We also want the fullest accounting of our missing servicemen and ask for your support in DoD dedicated efforts to find and identify remains. It is a duty we owe to the families of those still missing as well as to those who served or who currently serve.

NAUS supports the fullest possible accounting of our missing servicemen. It is a duty we owe the families, to ensure that those who wear our country's uniform are never abandoned. We request that appropriate funds be provided to support the JPAC mission for fiscal year 2011.

Appreciation for the Opportunity to Testify

As a staunch advocate for our uniformed service men and women, The National Association for Uniformed Services recognizes that these brave men and women did not fail us in their service to country, and we, in turn, must not fail them in providing the benefits and services they *earned* through honorable military service.

Mr. Chairman, The National Association for Uniformed Services appreciates the Subcommittee's hard work. We ask that you continue to work in good faith to put the dollars where they are most needed: in strengthening our national defense, ensuring troop protection, compensating those who serve, providing for DoD medical services including TRICARE, and building adequate housing for military troops and their families, and in the related defense matters discussed today. These are some of our nation's highest priority needs and we ask that they be given the level of attention they deserve.

The National Association for Uniformed Services is confident you will take special care of our nation's greatest assets: the men and women who serve and have served in uniform. We are proud of the service they give to America every day. They are vital to our defense and national security. The price we pay as a nation for their earned benefits is a continuing cost of war, and it will never cost more nor equal the value of their service.

Again, the National Association for Uniformed Services deeply appreciates the opportunity to present the Association's views on the issues before the Defense Appropriations Subcommittee.

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Richard A. “Rick” Jones

Legislative Director

National Association for Uniformed Services (NAUS)

Richard A. “Rick” Jones joined NAUS as Legislative Director on September 1, 2005. As legislative director, he is the primary individual responsible for promoting the NAUS legislative, national security, and foreign affairs goals before the Departments of Defense and Veterans Affairs, and the Congress of the United States.

Rick presently serves as co-director of the National Military and Veterans Alliance (NMVA) and co-chairman of the Alliance for Military and Overseas Voting Rights (AMOVR). NMVA is composed of 31 military associations and veterans organizations with a combined membership of over 3.5 million members. AMOVR is formed to ensure that our military men and women are afforded their right to vote and to ensure their votes are counted.

Rick is an Army veteran who served as a medical specialist during the Vietnam War era. His assignments included duty at Brooke General Hospital in San Antonio, Texas; Fitzsimons General Hospital in Denver, Colorado; and Moncrief Community Hospital in Columbia, South Carolina.

Rick completed undergraduate work at Brown University prior to his Army draft and earned a Master Degree in Public Administration from East Carolina University in Greenville, North Carolina, following military service.

Prior to assuming his current position, Rick served five years as National Legislative Director for AMVETS, a major veterans service organization. He also worked nearly twenty years as a legislative staff aide in the offices of Senator Paul Coverdell, Senator Lauch Faircloth, and Senator John P. East. He also worked in the House of Representatives as a committee staff director for Representative Larry J. Hopkins and Representative Bob Stump.

In working for Rep. Stump on the House Committee on Veterans’ Affairs, he served two years as minority staff director for the subcommittee on housing and memorial affairs and two years as majority professional staff on funding issues related to veterans’ affairs budget and appropriations.

Rick and his wife Nancy have three children and reside in Springfield, Virginia.

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NAUS was founded in 1968 to support legislation to uphold the security of the United States, sustain the morale of the Armed Forces, and provide fair and equitable consideration for all members of the uniformed services: active, Reserve, National Guard, veteran, retired and their spouses, widows and widowers. The Society of Military Widows became affiliated with NAUS in 1984. NAUS is the only military association to represent all grades, ranks, components and branches of the uniformed services: Army, Air Force, Navy, Marine Corps, Coast Guard, Public Health Service, National Oceanic and Atmospheric Administration, their families and survivors.