

Resolution No. 402

OPPOSE TRICARE FEE CHANGES

WHEREAS, the FY17 National Defense Authorization Act made significant changes to the TRICARE military health benefit program by eliminating Tricare Standard and Extra, creating the new TRICARE Select Plan, adding enrollment fees for individuals joining the service after Jan.1, 2018 and for military retirees starting in 2021; and

WHEREAS, the changes mandated by the NDAA were further compounded by a change in costs instituted by the Defense Health Agency for both the new Select and the Prime plans. The changes included a complete change in the cost-share methodology for the new Tricare Select plan, which changed the beneficiary costs from a percentage of individual-services-used to an averaged, flat-rate co-payment and increased Tricare Prime fees; and

WHEREAS, the FY18 NDAA added additional costs by raising mail order and retail pharmacy fees for all Tricare beneficiaries, including Tricare For Life members. The additional costs included raising the costs of a 90-day mail order supply of generic medications from a \$0 co-pay to a \$7 per prescription co-pay, adding significant out-of-pocket costs to beneficiaries on maintenance medications for chronic conditions; and

WHEREAS, the FY18 NDAA also allowed the Secretary of Defense to enter into a contract with the Office of Personnel Management (OPM) to administer a replacement program for the Tricare Retiree Dental Program starting Jan. 1, 2019. While the new plan will provide Tricare beneficiaries with additional dental insurance carriers and plan options and will also include the addition of vision coverage for retirees and Active Duty Service Member Families, the increased options will likely come with increased costs and reduced availability of providers; and

WHEREAS, military health coverage is expensive, yet so is the upfront personal investment someone makes to voluntarily commit to a full military career. Any real or perceived erosion of benefits for career-minded personnel will undermine long-term retention; now, therefore

BE IT RESOLVED, by the Veterans of Foreign Wars of the United States, that we oppose all Tricare fee increases as well as any additional fee increases or major modifications to the earned benefit of military healthcare. DOD should reform its healthcare programs by eliminating institutional inefficiencies before promising military retirees that better service will ensue after their participation fees are increased.

Submitted by the Commander-in-Chief
To Committee on NATIONAL SECURITY & FOREIGN AFFAIRS