

**STATEMENT BY**

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VICE CHIEF OF STAFF  
UNITED STATES ARMY**

**BEFORE THE**

**SUBCOMMITTEE ON PERSONNEL  
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**ON HEALTH CARE**

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Mr. Chairman and members of the Committee, thank you for the opportunity to testify before you today on the quality and availability of health care services in the United States Army.

Access to quality health care for the entire Army community -- our soldiers and their families, and our retirees -- is a top priority for the senior leaders of the Army. We have an obligation to provide the very best medical care available to those who sacrifice so much for our Nation. Our soldiers deserve and expect quality health care, for themselves and their family members -- in retirement, as well as during their time of active service. Survey after survey shows that health care is an issue that resonates with our troops; it plays a major role in their decision to join our ranks, and an even greater role in their decision to stay.

**QUALITY VERSUS ACCESS**

The quality of Army health care is exceptional, and our troops know it. We are proud of the credentials of our Military Treatment Facilities (MTF) and our dedicated Army health care providers. By every meaningful standard of measure, the Army healthcare system meets or exceeds the performance of its civilian counterparts. All Army hospitals are accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), and the average quality scores for Army hospitals have surpassed the national average for the past six years.

In terms of quality staffing, the Army health care system leads the way. An astounding 94% of all Army physicians are board certified, compared with an average of 79% of their civilian counterparts in HMO primary care and 82% in HMO specialty care facilities. The Army Graduate Medical Education program, with 23 residency and 59 fellowship programs is responsible for a 93% first-attempt pass rate on board certification examinations. We are justifiably proud of these achievements, but it is not enough for the Army to operate a world-class health care system, if the people it is designed to support do not have reasonable access. Accordingly, TRICARE benefit expansion is a major issue of concern within the Department of the Army.

The TRICARE managed health care program is now in place and fully operational worldwide. Now that we better understand the TRICARE system, we realize that it has significant problems in terms of access, claims procedures, and continuity of care.

Access to medical services under the TRICARE system is one of the most pressing problems for our young soldiers and their families. The complex procedures for obtaining an appointment at an MTF frustrate our soldiers and their leaders. Our troops need to know that TRICARE will support their loved ones while they are deployed or away from home for training. Some of the greatest impediments to TRICARE availability include portability of coverage between regions and while traveling, standardization of appointment procedures between regions, and interpretation of the rules regarding coverage/explanation of benefits. Problems associated with these issues have plagued our soldiers and their families since the beginning of the TRICARE program.

Delays in processing claims have also been a source of problems for many of our Army families. Past failures by TRICARE administrators to promptly process claims have resulted in late payments to health care providers and added financial stress to families who are already struggling to make ends meet.

Finally, the lack of continuity between doctors and patients under the TRICARE system has a negative affect on the overall quality of the health care experience. Family members have been forced to operate within a system that did not allow for the development of traditional, long-term doctor-patient relationships. This situation has been especially difficult for our family members who suffer with chronic illnesses requiring long-term care.

The challenge we face is to improve the program and to address our soldiers' concerns, thereby ensuring that our active duty members, their families, and other eligible beneficiaries have access to a high quality, and beneficiary friendly healthcare system. The Army, working closely with the other Services and the Assistant Secretary of Defense for Health Affairs, has implemented several recent initiatives to achieve this end:

- A new generation of Managed Care Support contracts (MCS 3.0) are scheduled to begin in FY 01 for Region 11. The new contract places primary emphasis on beneficiary satisfaction and is based on government performance and outcomes requirements. The new contract invites bidders to propose their best commercial business practices designed to meet or exceed government requirements.
- The Department of Defense adopted the more stringent Health Care Financing Administration standards for claims processing, with the goal of processing 95% of claims within 30 days.
- New enrollment procedures began in June 1999 to eliminate the need for beneficiaries to reenroll in the TRICARE program every year. Beneficiaries will remain enrolled until they decide to dis-enroll or change their status.

- To increase customer satisfaction and improve continuity of care, in October, the Army has implemented a policy directing each Prime enrollee be assigned a personal Primary Care Manager to provide continuity of care.

These are important steps, but we still have work to do to make the TRICARE system more "user friendly." The senior leadership of the Army is committed to working within the Department of Defense to streamline procedures and reduce the burden of bureaucracy on our soldiers and their families.

## **EXPANDING TRICARE AVAILABILITY**

Streamlining procedures and reducing bureaucracy, however, is only part of the solution to improving access to quality health care. The Army supports ongoing efforts to expand the TRICARE program and benefits for our soldiers and our retirees. We applaud recent moves by the Administration and the Congress to eliminate co-pays for active duty family members enrolled in TRICARE Prime and to expand the TRICARE Prime Remote for active duty families who do not live near an MTF.

I also want to thank the Congress for your efforts to support the health care needs of our reserve component soldiers and their families. The FY 2000 Defense Authorizations Act addresses many of the serious needs of our reserve components. The Act authorizes RC soldiers to remain on active duty to complete treatment for illness or injuries sustained while performing military duties, waives the TRICARE Standard deductible for families of soldiers called to active duty for less than one year, and expands dental programs for our RC soldiers and their families. In light of our Nation's increasing reliance on the Army National Guard and Army Reserve to execute the National Military Strategy, these are important benefits for our reserve troops and their family members who sacrifice so much for the Nation

Other efforts to expand health care benefits -- primarily targeted at our retiree community -- which we support include the MEDICARE Subvention Demonstration (TRICARE Senior Prime), the TRICARE Senior Supplement Demonstration Program, the TRICARE Pilot Pharmacy Benefit Demonstration, and the Department of Defense/Federal Employees Health Benefits Demonstration. These programs have the potential to offer far greater access to affordable medical care than the currently available program, but we will look to the specific results of these demonstrations for guidance on future programs. Possible benefit enhancements not currently in the budget submission could include:

- Access to network retail and mail order pharmacy benefits for all retirees.
- Expansion of the TRICARE Senior Prime Demonstration program.

- Expansion of the DOD FEHB Demonstration Program.
- TRICARE Senior Supplemental Program

These programs offer great promise for improving access to health care and helping us to fulfill the promise we've made to our soldiers, retirees and family members. We look forward to the initial results of the demonstration program now being conducted by DoD to evaluate the best means of providing health care to retirees.

## **CONCLUSION**

Expanding access to quality health care for the entire community -- active, retired, and reserve -- is a priority within the Department of the Army. Access to quality health care, for soldiers and their families, has always been a major benefit of service; it is an integral part of the total compensation package. The erosion of benefits, whether real or perceived, dramatically affects our ability to recruit and retain a quality force.

There is a moral imperative, however, that goes far beyond the arguments surrounding recruiting and readiness. The brave men and women who choose to serve, who have never failed to answer our Nation's call, deserve our total commitment and support. These are our parents, our siblings, and our children. Each generations' best and brightest. In places like Normandy, Pusan, Pleiku, Kuwait, Mogadishu, Sarajevo, Pristina, and countless others, they gave their all and never broke the faith. Now we must keep the faith with them.

I thank the members of the committee for taking on this important issue, and for your hard work in securing and expanding military health care benefits. Thank you, Mr. Chairman, for the opportunity to testify before the committee. I look forward to answering your questions and to working with the members of the committee on this important issue.