

Statement of

JOYCE WESSEL RAEZER

Director, Government Relations

THE NATIONAL MILITARY FAMILY ASSOCIATION

Before the

SUBCOMMITTEE ON PERSONNEL

of the

SENATE ARMED SERVICES COMMITTEE

and the

SUBCOMMITTEE ON CHILDREN AND FAMILIES

of the

**SENATE HEALTH, EDUCATION, LABOR AND PENSIONS
COMMITTEE**

June 24, 2003

**Not for Publication
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the Committee**

The National Military Family Association (NMFA) is the only national organization whose sole focus is the military family and whose goal is to influence the development and implementation of policies which will improve the lives of those family members. Its mission is to serve the families of the Seven Uniformed Services through education, information and advocacy.

Founded in 1969 as the Military Wives Association, NMFA is a non-profit 501(c)(3) primarily volunteer organization. NMFA today represents the interests of family members and the active duty, reserve components and retired personnel of the seven uniformed services: Army, Navy, Air Force, Marine Corps, Coast Guard, Public Health Service and the National Oceanic and Atmospheric Administration.

NMFA Representatives in military communities worldwide provide a direct link between military families and NMFA staff in the nation's capital. Representatives are the "eyes and ears" of NMFA, bringing shared local concerns to national attention.

NMFA receives no federal grants and has no federal contracts.

NMFA has been the recipient of the following awards:

- Defense Commissary Agency Award for Outstanding Support as Customer Advocates (1993)
- Department of the Army Commander Award for Public Service (1988)
- Association of the United States Army Citation for Exceptional Service in Support of National Defense (1988)
- Military Impacted Schools Association "Champion for Children" award (1998)

Various members of NMFA's staff have also received personal awards for their support of military families.

NMFA's web site is located at <http://www.nmfa.org>.

Joyce Wessel Raezer

Director, Government Relations

Joyce was promoted to Associate Director, Government Relations for the National Military Family Association in December 2000. An Association by-laws revision, effective December 2001, changed the position title to Director, Government Relations. Joyce started her volunteer work with NMFA in September 1995 and became Education Specialist in 1996. In February 1998, she was selected for the paid position of Senior Issues Specialist for the Association and was named Deputy Associate Director of the Government Relations Department in June 1999. Joyce monitors issues relevant to the quality of life of the families of the Uniformed Services and represents the Association at briefings and meetings of other organizations, Members of Congress and their staffs, and members of the Executive branch.

Joyce has represented military families on several committees and task forces for offices and agencies of the Department of Defense and military Services, including the Department of Defense Education Activity (DoDEA) and the TRICARE Management Activity (TMA). She has been a member of the Defense Commissary Agency (DeCA) Patron Council since February 2001, representing active duty family members. She is a member of the Army's Youth Education Working Group. Joyce serves on four committees of The Military Coalition and is co-chair of the Personnel, Compensation and Commissaries Committee. She served as a beneficiary representative, from September 1999 to December 2000, on a Congressionally-mandated Federal Advisory Panel on DoD Health Care Quality Initiatives. She was a member of the planning committee for the national conference on "Serving the Military Child" held October 1998 in Arlington, VA. From June 1999 to June 2001, Joyce served on the first national Board of Directors for the Military Child Education Coalition.

Joyce was the 1997 recipient of NMFA's Margaret Vinson Hallgren Award for her advocacy on behalf of military families and the Association. She also received the "Champion for Children" award from the Military Impacted Schools Association in 1998.

A Maryland native, Joyce earned a B.A. in History from Gettysburg College, Gettysburg, Pennsylvania and a M.A. in History from the University of Virginia. An Army spouse of 21 years and mother of two children, she has lived in Washington, D.C. (3 tours), Virginia, Kentucky, and California. She is a former teacher and is an active volunteer school parent. She was elected to the Fort Knox (KY) Community Schools Board of Education in 1993 and served until August 1995. She currently serves on the PTA board for her daughter's school in Fairfax County, Virginia.

Chairman Chambliss, Chairman Alexander, and Distinguished Members of these Subcommittees, the National Military Family Association (NMFA) is appreciative of your interest in the well-being of military families as evidenced by the scheduling of this hearing and recent field hearings. Your focus on military families at this critical time sends a message to those families that Congress is interested in how they are faring and wants to ensure they have the tools they need to maintain a stable home life while supporting their servicemembers engaged in the military mission.

This statement highlights the most-pressing deployment-related concerns, as reported to NMFA by military families and our network of more than 140 Installation Representatives. It also includes a discussion of other important issues affecting military families' quality of life: the education of military children, spouse employment, relocation, health care, and how military allowances are treated by other government programs. While attention over the past year has appropriately focused on deployment-related issues, it is important to remember that military families' quality of life, and thus their ability to support the servicemember's mission, depends on the interaction of many factors. Servicemembers look to the nation to understand the family's quality of life is a readiness requirement: servicemembers must have confidence their family is taken care of in order to focus on their military task. Quality of life is not just about the support provided during deployment, nor just about pay. It is about having a safe, well-maintained place to live. It is about access to quality health care without bureaucratic complexities. It is about a quality education for their children. It is about meeting the aspirations of a spouse for a career and a couple for a secure retirement. It is about respect for a job well done.

FAMILY READINESS

Since 9/11 active duty members and their National Guard and Reserve peers have engaged in numerous duty assignments from homeland security to armed conflict. At the same time, members have continued to perform ongoing missions in various far-flung areas of the globe. Deployments produce economic and psychological strain and raise stress levels in the family. The lifeline of the military family, the military community, also feels the strain. Family services are important to an installation not pressured by high perstempo or conflict-related deployments. They are essential when families are left behind. Family center personnel, military chaplains, installation mental health professions and Morale, Welfare and Recreation programs all provide needed assistance to families. When spouses find themselves as the sole head of the family, the services available to assist them and their children are truly lifelines. E-mail, video teleconferencing centers, and special family activities ease the strains and pains of separation. But none of these services are without cost. Just as the deployed servicemember's readiness is dependent on proper training, food, shelter, clothing and weapons systems, the readiness of the family is dependent on accessing needed services. Both must have adequate funding and staff to ensure a force ready to successfully carry out its assigned mission.

NMFA is appreciative of actions taken earlier in this session of Congress to ease the financial burden facing military families as they deal with deployment by providing

an increase for Family Separation Pay in the FY 2003 Supplemental. We strongly request permanent authority to provide the increase for all servicemembers deployed from their families, as included in S.1050, the Senate version of the National Defense Authorization Act (NDAA). Whether the servicemember is deployed to Iraq, on a ship in the Pacific, or on an unaccompanied tour in Korea, to the family, “gone is gone!”

Families and Deployment: Lessons learned during the first Gulf War and subsequent operations on how to support families have resulted in a wider range of options to assist families, units, and installations in communication and family support during the most recent deployments. Recent initiatives to support families include:

- Toll-free information lines
- Partnerships with organizations such as the Armed Forces YMCA, Boys and Girls Clubs, and 4-H Clubs to provide additional youth activities and after-school care
- Increased after-hours child care available at some installations
- Family readiness materials posted on various Department and Service web sites
- Additional Family Assistance Centers set up in communities dealing with high levels of deployment
- Improved information and assistance for reserve component families transitioning to TRICARE
- Family support personnel tasked to obtain family contact information from servicemembers at mobilization sites
- Increased training and guidance for rear detachment personnel
- Increased interaction with nearby civilian community organizations, including schools
- Improved return and reunion programs to support servicemembers and families in the post-deployment period

A program offered by Army Chaplains, “Building Strong and Ready Families” is a good example of innovative family programs and coordination between commanders and helping agencies. It is targeted at improving relationship skills and assisting initial-entry soldiers and their families with making the transition into the military culture. A clarification on the use of appropriated funds to pay the expenses of soldiers and their families to participate in these command-sponsored, chaplain-lead training opportunities was included in the FY 2003 Defense Appropriations Act; permanent authority applying to the active and reserve components in all Services is included in H.R.1588. NMFA requests that the Conference Committee include this language in the final version of the FY 2004 NDAA.

Based on what NMFA hears from families, initiatives put in place since the first Gulf War have enabled them to better cope with deployment-related demands this time around. There are gaps, however, as pointed out by the family members at the recent field hearings. Problem areas include the need for more child care, better communication with the servicemember, timely information from the command, specialized support for geographically-separated Guard and Reserve families, training and back-up for family readiness volunteers, and enhanced support mechanisms to deal with crisis situations arising from long or frequent deployments. NMFA is concerned that installations have

had to divert resources from the basic level of family programs to address the surges of mobilization and return. Just as the Family Separation Allowance helps families deal with the increased financial burdens they face during deployment, resources must be available for commanders and others charged with ensuring family readiness to help alleviate the strains on families facing more frequent and longer deployments.

Family Readiness volunteers and installation family support personnel have been stretched thin over the past two years as they have had to juggle pre-deployment, ongoing deployment, and return and reunion support, often simultaneously. Unfortunately, this juggling act will likely continue for some time as many servicemembers are only now leaving for deployments of indeterminate lengths. Volunteers, whose fatigue is evident, are frustrated with being called on too often during longer than anticipated and repeated deployments. As these family members—on whom the military depends to help others even while dealing with their own family needs—expressed to you in the field hearings, they support the servicemembers' choice to serve; however, they are worn out and concerned they do not have the training or the backup from the family support professionals to handle the problems facing some families in their units. Military community volunteers are the front line troops in the mission to ensure family readiness. They deserve training, information and assistance from their commands, supportive unit rear detachment personnel, professional backup to deal with family issues beyond their expertise and comfort level, and opportunities for respite before becoming overwhelmed.

NMFA knows that the length of a deployment in times of war is subject to change, but also understands the frustrations of family members who eagerly anticipated the return of their servicemembers on a certain date only to be informed at the last minute that the deployment will be extended. The unpredictability of recent deployments is perhaps the single most important factor, other than the danger inherent in combat situations, frustrating families today. This unpredictability extends also to the length of time a family can count on a servicemember being home before he or she is ordered for another deployment. Families who can count on a set return date cope better than those dealing with an unknown return. Because of the unpredictable nature of the military mission today, family members need more help in acquiring the tools to cope with the unpredictability.

To better assist family members deal with the unpredictable, a clearer delineation of responsibility must be developed on who among the command, the professional family program staff, or other helping agencies provides what information, what training, and what support for families. Although the Services have improved rear detachment accountability and responsibilities since the first Gulf War, NMFA still hears of too many cases where rear detachment personnel—supposedly the commander's information connection to families and the first line of assistance in dealing with the military chain of command and in facilitating communication with the servicemember—were not responsive to the needs of unit families, did not provide timely information to volunteers, or did not even know what resources were available in the community. Families often express confusion about where to turn for assistance—to the rear detachment, to the installation family center, or to the new Family Assistance Center set up in response to

the deployment. Unit Family Readiness Group leaders ask where they are to receive training in communicating with and supporting other family members and what level of support is appropriately their responsibility. Because responsibilities are often not well-delineated, family volunteers frequently feel that everyone's problems are being dumped on them, even when they do not have the requisite skills to handle them.

Commanders may recognize these gaps, but often do not have the expertise or time to train their rear detachment or volunteers in dealing with family issues, nor do they always know what resources are available either. Commanders must set the expectation that their rear detachment personnel assist families when needed and that families are to be kept informed about what is happening in the deployed unit. Communication is key in allaying some of the stress associated with a deployment, especially when the unit is involved in an operation featured on the nightly news. Frequent communication also dispels rumors. A capable rear detachment cadre and family readiness volunteers help to facilitate communication to and from the command and to serve as the commander's agents in supporting families. NMFA believes that the responsibility for training the rear detachment personnel and volunteers and in providing the backup for complicated cases beyond the knowledge or comfort level of the volunteers should flow to the installation family center or Guard and Reserve family readiness staff. Family program staff must also facilitate communication and collaboration between the rear detachment, volunteers, and agencies such as chaplains, schools, and medical personnel.

Organizational stovepipes continue to hinder collaboration in the development and maintenance of strong emotional and mental health in both individuals and families of the military community. As was seen in the Fort Bragg, NC domestic violence cases during the summer of 2002, not all military family members or servicemembers make use of the counseling and support services available to them. While the TRICARE mental health benefits are rich by the standards of many other plans, the program does not have a preventive care component. For TRICARE to pay for services, there must be a medical diagnosis, thus discouraging many family members from seeking care. Many members and their families also believe that seeking counseling services through military programs may harm their careers or that these services are only intended for families identified as having problems. The authors of the *Fort Bragg Epidemiological Consultation Report* who examined the domestic violence incidents noted that the various support agencies do not often coordinate their activities. NMFA strongly believes that better coordination and communication among all installation helping agencies as well as with those in the civilian community is imperative to help families deal with stress and promote better mental health. NMFA also believes that TRICARE must cover preventive mental health services just as it covers medical preventive services such as well-baby checks, immunizations, PAP smears and mammograms. An emphasis on emotional health rather than treatment may also make beneficiaries more likely to seek appropriate services in a timely manner.

National Guard and Reserve Families: As of June 18, 210,256 National Guard and Reserve members were on active duty. While many of the challenges faced by their families are similar to those of active component families, they must face them with a

less-concentrated and mature support network and, in many cases, without prior experience with military life. Unlike active duty units located on one installation with families in close proximity, reserve component families are frequently miles from the servicemember's unit. Therefore, unless they pay for their own travel expenses, families are often unable to attend unit pre-deployment briefings. NMFA constantly hears the frustrations family members experience when trying to access information and understand their benefits. The lack of accurate benefit information and unrelenting communication difficulties are common themes among Guard and Reserve families.

DoD has developed several key initiatives that address the needs of Guard and Reserve families. NMFA applauds this effort, but there is still much to be done. Although the Guard and Reserve have increased the number of paid family readiness coordinators to assist volunteers and provide basic information, Guard and Reserve unit volunteers, even more than many of their active duty counterparts, are still stressed because of the numbers of families they must assist and the demands placed upon them. At a minimum, NMFA requests funding for child care to enable these dedicated volunteers to perform their expected tasks more efficiently. Funding to enable families to attend pre-deployment briefings would help strengthen the ties between the units and the families and the families with each other and assist in ensuring that accurate information is provided directly to the family members. Guard and Reserve families ask for standardized materials that are appropriate to all services, so that if an Army Reserve family happens to live close to a Navy installation they would understand how to access services there. The establishment of a joint Family Readiness program could facilitate the understanding and sharing of information between all military family members.

Through our contact with Guard and Reserve families and family support personnel over the past year, NMFA has heard wonderful stories of individual states, units and families caring for and supporting each other. NMFA is aware of leadership involvement at all levels to help ease the challenges faced by servicemembers and families. NMFA is especially proud of the efforts of The National Committee for Employer Support of the Guard and Reserve (ESGR) as an advocate for the reserve component member facing employment issues. ESGR is encouraging employers to set up their own family support programs and provides information to employers and to their employees about the legal rights of reserve component members. By providing this information in the workplace, ESGR is helping civilian communities gain a better understanding of the valuable role the Guard and Reserve play in the defense of our nation.

Compensation issues continue to be of paramount concern among Guard and Reserve families. Some surveys indicate that as many as one-third of reserve component members have taken a significant pay cut upon activation. Families who initially financially prepared for a six month activation now are faced with the devastating monetary consequences of a one or two year loss in income. Some small business owners and single practice professionals are facing the loss of their businesses. NMFA is aware of the disaster the previous income replacement program created, but believes that attention must be directed to these problems or retention of these individuals may become

extremely problematic. In addition, some Guard and Reserve members experienced problems with pay processing upon activation. This delay in receiving the paycheck led to overdue payments on bills, and occasional threats to foreclose on mortgages or to turn the family over to a collection agency. Pay and personnel systems for activated Guard and Reserve members must work in coordination so families do not have to deal with bill collectors.

Opportunities Exist for Joint-Service Collaboration: NMFA applauds the Office of Military Community and Family Policy in the Office of the Secretary of Defense (OSD) for its creation of a Joint Family Support Contingency Working Group to promote better information-sharing and planning among OSD and the military Service headquarters family support staff, including the reserve components. NMFA appreciates the invitation to participate in this working group, an innovative concept that grew out of the successful collaboration in the operation of the Pentagon family assistance center after the attack on the Pentagon. The working group understands that most military families live off-base and is encouraging new ways of helping families that are not all centered on the installation. NMFA has long promoted additional outreach into the civilian community by installation personnel so that family members unable to get to an installation can still receive needed assistance. The possibility of further incidents that might prompt restricted access to installations makes this outreach even more imperative.

Working group discussions have also highlighted just how “joint” our military has become and how joint coordination to improve family readiness makes sense in providing consistent information and in using scarce personnel and other resources to the best advantage. Because servicemembers increasingly serve on joint missions or are assigned to installations not belonging to their parent Service, they need easily accessible information and support not necessarily tied to one particular Service. A start in improved joint family readiness support would be the establishment a common web and phone portal to provide basic information and referral services. One possible vehicle for providing this joint information portal and for communicating with family members and helping them access assistance when needed, wherever they are located, is being tested by the Marine Corps Community Services (MCCS). The new program, “MCCS One Source,” provides 24 hours a day, 7 days a week, telephone and online family information and referral, situational assistance, and links to military and community resources. Since February 1, this service has been available to active duty and Reserve Marines and their family members. The Army is also making this service available to soldiers and families at an expanding list of installations. Employee Assistance Programs such as “One Source,” provide an accessible source of information for servicemembers and families and, if properly coordinated with other support services, should allow Service family support professionals to devote more time and attention to supporting unit volunteers and to assisting families with more complex problems.

Joint-Service, community-based support, supplementing the information and assistance provided through the unit during a deployment makes sense, especially for Guard and Reserve families geographically separated from the servicemember’s unit and from each other, NMFA suggests that DoD strengthen and perhaps formalize partnerships

with national organizations such as the American Red Cross and U.S. Chamber of Commerce to enlist their assistance through their local chapters in setting up community-based support groups for military family members. The groups could include not only spouses and significant others of all deployed members, no matter what unit or Service the member is attached to, but also the parents of servicemembers. Involving local community leaders in setting up these support groups would address two of the most common concerns expressed by some of these isolated families: the feeling that they are the only families in town going through the strain of deployment and the sentiment that people not associated with the military do not appreciate their sacrifices.

Child Care: Military child care is another important element in family readiness. In testimony this spring, Sergeant Major of the Army Jack Tilley noted that during 2002, 27 percent of enlisted soldier parents reported lost duty time due to a lack of child care. Deployments increase the need for child care. Families, where the parents were previously able to manage their work schedules to cover the care of their children, must now seek outside child care as one parent deploys. Guard and Reserve families most often do not live close enough to a military installation to take advantage of the subsidized, high-quality care available at the Child Development Center or Family Day Care homes. Since 2000, DoD has had the authority to increase the availability of child care and youth programs through partnerships with civilian agencies and other organizations. The Services set up pilot programs to take advantage of this authority and obtain more care for children off the installations; however, NMFA has been informed that less than 10 percent of DoD child care is provided off-base.

To meet the needs of far-flung families, some with limited funds to pay for child care, DoD must look for innovative ways to provide access to child care services, tied not to specific locations selected by DoD, but to what best serves parents and children. Employee Assistance Programs such as the Marine Corps's "One Source" could help families locate the child care and a DoD subsidy, possibly based on the income categories used to determine rates at DoD centers, would help create a more equitable benefit. Another option to help military families pay for child care would be to make them eligible to contribute pre-tax dollars to a Flexible Spending Account. These accounts are popular in many civilian work places and are currently being implemented for Federal civilians in some agencies.

Military spouses testifying at the field hearings spoke emphatically about the need for increased child care slots to serve families of deployed servicemembers. While there may be some increased need for full-time slots, the greatest need is for hourly care to support spouses in their roles of family readiness volunteers, to enable a spouse to keep a doctor's appointment or attend a parent-teacher conference, or just to provide a well-deserved respite for both parent and children. Hourly care has almost always been in short supply at many installations and NMFA is concerned that current funding levels, as well as those proposed for FY 2004, for the Military Child Development System may not be adequate to meet both the routine demands for child care and the increased need due to deployments. We request additional funds to ensure the provision of the high quality child care servicemembers and their families need.

Return and Reunion: The Services recognize the importance of educating servicemembers and family members about how to effect a successful homecoming and reunion and have taken steps to do so. The Navy pioneered this process and has been holding reunion briefings on ships prior to homecoming for several years. The Army, Marine Corps, and Air Force, learning lessons from recent deployments and the tragedy of Fort Bragg, have developed online programs and brochures for the servicemembers and their families. They have also stepped up briefings for returning servicemembers and, when possible, their families to assist in the return and reunion process. Information gathered in the now-mandatory post-deployment health assessments may also help identify servicemembers who may need more specialized assistance in making the transition home. Successful return and reunion plans depend on the interaction between all helping agencies, support from the command, and multiple methods of getting information and assistance to servicemembers and families.

Return and reunion programs are aimed at both traditional and non-traditional family units, including single and married servicemembers, spouses, parents, children, and significant others. The information spans subjects from finances and division of chores to recultivating family intimacy and practicing safe driving procedures. The Services have gone from the old policy of “if we wanted you to have a family we would have issued you one” to sharing guidance on how to reestablish intimacy with your spouse or significant other after separation. The one underlying theme with almost all the literature available is to “go slow” and develop realistic homecoming expectations. Other organizations outside the Services, such as the American Red Cross, offer reunion resources as well.

The question remains, however: how can one access the information? Returning military units will be briefed as units before they are returned home, but what about the servicemembers deployed and returning individually? Information for families is readily available on a variety of “unofficial”, family-friendly web sites. However, there are times one needs to know the special code word or the secret hand shake to navigate or even find the official Service web sites—to know that Lifelines is the family friendly program for the Navy, Crossroads is the source for Air Force family information, the Well-Being tab on the official Army site contains information on family programs, or that “One Source” is available for both active and reserve Marines. Web information is an easy fix, however. The biggest challenge is reaching the geographically isolated families, the families of servicemembers who deployed individually or not as a part of a unit, or the families with no access to the web. News about briefings for families should be disseminated as widely as possible. As NMFA has emphasized before, family briefings would be better attended if child care and travel expenses were provided. NMFA encourages DoD to use the same organizations that were so effective during the height of the crisis—the Red Cross, local chapters of veterans’ service organizations, the Chamber of Commerce—to get the information out to families in avenues other than the Internet.

NMFA applauds the quality of much of the new reunion information. It is a great example of “purple” information—much of the new material is not Service specific. In

addition, the special attention paid to the Guard and Reserve returnees and their reacclimation into the work place enhances the scope of the entire reunion process. The inclusive way all the Services, active and reserve components, are addressed in this literature serves as a model for how information should be presented in a joint family readiness plan in the future.

Successful return and reunion programs will require attention over the long term. Many mental health experts state that some post-deployment problems may not surface for several months after the servicemembers' return. NMFA is especially concerned about the services that will be available to the families of returning Guard and Reserve members and servicemembers who leave the military following the end of their enlistment. Although they may be eligible for transitional health care benefits and the servicemember may seek care through the Veterans' Administration, what happens when the military health benefits run out and deployment-related stresses still affect the family? As part of its return and reunion plan, the Army has announced it will contract with an Employee Assistance Plan to provide toll-free phone and Internet access to help returning servicemembers and families access local community resources and to receive up to six free face-to-face mental health visits with a professional outside the chain of command. Unfortunately, we do not have information yet on how long returning servicemembers and families will be eligible to use this service.

Ongoing evaluation through surveys of servicemembers, families, commanders, and family support personnel is essential to capture lessons learned and determine what initiatives were most effective in ensuring family readiness during deployments and a smooth transition in post-deployment. NMFA was pleased that the Senate approved an amendment to Sec. 1023 of its version of the NDAA that would require DoD to include an investigation on the availability of support services to Guard and Reserve families as part of its report on the conduct of Operation Iraqi Freedom. In formulating any study of family support, NMFA suggests that questions be included on support and information provided in all phases of the deployment process: pre-deployment, during deployment, and return and reunion.

NMFA applauds the various initiatives designed to meet the needs of families wherever they live and whenever they need them and requests adequate funding to ensure continuation both of the "bedrock" family support programs and implementation of new initiatives. Higher stress levels caused by open-ended deployments require a higher level of community support. The cost of meeting unique family readiness needs for National Guard and Reserve families must be calculated in Guard and Reserve operational budgets and additional resources provided. Family readiness responsibilities must be clearly delineated so that the burden does not fall disproportionately on volunteers. DoD should partner with other organizations and explore new means of communication and support to geographically dispersed families. Innovative ways of meeting the child care needs of geographically-dispersed families and the deployment-related surge demand for child care may need to include a combination of subsidies, the use of information and referral services, and the option of Flexible Spending Accounts, in addition to

increased slots available in the DoD child development system. As with other family readiness information and support, return and reunion programs should be both unit and community-based and should be facilitated by a collaborative effort of all helping agencies across the active and reserve components of all Services. Return and reunion support must be considered a commitment to servicemembers and families over a period of several months. Special attention must be provided to ensure that geographically separated families have access to needed services, especially following a servicemember's deactivation.

EDUCATION FOR MILITARY CHILDREN

A significant element of family readiness is an educational system that provides a quality education to military children, recognizing the needs of these ever moving students and responding to situations where the military parent is deployed and/or in an armed conflict. No less than the stay at home spouse, children are affected by the absence of a parent and experience even higher levels of stress when their military parent is in a war zone shown constantly on television. The military member deployed to that dangerous place cannot afford to be distracted by the worry that his or her child is not receiving a quality education. Addressing the needs of these children, their classmates, and their parents is imperative to lowering the overall family stress level, and to achieving an appropriate level of family readiness. But it does not come without cost to the local school system.

Servicemembers want to know that their children's school buildings are secure, that school district leaders are working with installation leadership to ensure the safety of children at school and on the school buses. They want their children's schools to serve as extra eyes and ears, watching for changes in their children's behavior and academic performance and ensuring that adequate counseling resources are in place to assist children in dealing with not only the stress of the deployments, but also with the fears of unknown dangers at home. Teachers and counselors now must help the remaining parent answer the children's questions of "Why did the military send Dad or Mom away when we could be in danger here?" Schools educating military children must be prepared to help teachers and other staff who are also military family members deal with the emotions brought on by the combination of domestic threats and large-scale military deployments. They must often run programs with fewer volunteers, sometimes losing both the deployed servicemembers and their spouses who now have more demands on their time. They must also help "new" military children, the children of members of the National Guard and Reserves, who may be dealing with deployment for the first time.

NMFA is pleased to report that most schools charged with educating military children have stepped up to the challenge. They have become the constant in a changing world and the place of security for military children and their families. The goal, according to one school official, "is to keep things normal for the kids." The schools' role is to "train teachers in what to look for and deal with what they find." NMFA received many positive stories from parents and schools about how the schools have helped children deal with their fears, keep in touch with deployed parents, and keep focused on learning. We have also heard stories of schools helping each other, of schools

experienced in educating military children and dealing with deployment-related issues providing support for school systems with the children of activated Guard and Reserve members. In the process, many schools have increased the understanding of their teachers and other staff, as well as their entire communities, about issues facing military families.

NMFA is appreciative of the support shown by Congress for the schools educating military children. Congress has consistently supported the needs of the schools operated by the DoD Education Activity (DoDEA), both in terms of basic funding and military construction. Congress has also resisted efforts by a series of administrations to cut the Impact Aid funding so vital to the civilian school districts that educate a majority of military children. NMFA is also appreciative of the approximately \$30 million Congress adds in most years to the Defense budget to supplement Impact Aid for school districts whose enrollments are more than 20 percent military children.

DoDEA: Department of Defense schools are located in overseas locations (DoDDS) and on a small number of military installations in the United States (DDESS). The commitment to the education of military children in DoD schools between Congress, DoD, military commanders, DoDEA leadership and staff, and especially military parents has resulted in high test scores, nationally-recognized minority student achievement, parent involvement programs and partnership activities with the military community. It is significant to note that the Commander of USAREUR stated in May that over half of the military members assigned to USAREUR are deployed away from their permanent duty sites. Imagine the challenges facing a school system in a foreign country where half of the student body has an absent parent! DoD schools have responded to the increased operations tempo with greater support for families and children in their communities. Most recently, several schools arranged special satellite hook-ups to allow deployed parents in Iraq and Kuwait to participate in their high school students' graduations from a distance. NMFA also appreciates the actions taken by DoDEA staff in easing the transition for students enrolled in DoD schools in Turkey when they were forced to evacuate prior to the start of the war. DoDEA not only provided families with contact information and educational records, but also guaranteed that students who could not meet the standards for graduation or promotion to the next grade because of their late transition into a civilian school could receive DoDDS diplomas and certification that their work in the DoDDS schools warranted promotion.

While DoD schools have been immune from some of the constraints besetting civilian schools affected by state and local budget pressures, military families served by DoD schools have expressed concerns about DoD rescissions this year that caused cuts in maintenance, staff development, technology purchases and personnel support and also forced the elimination of some instructional days in some districts. While DoDEA has experienced Department-wide rescissions in previous years, this year's was larger than normal, thus making it more difficult for the system to make the necessary adjustments midway through the school year. Because the timing of the Federal fiscal year is out of sync with the school year, NMFA believes this calendar mismatch may tend to worsen the impact of mid-year Department-wide budget allocations on the school system and the children it serves.

Transition Issues: Despite the success of the DoD schools in raising achievement levels, it is important to remember less than 20 percent of military children attend these schools. The rest depend on civilian school districts, which often vary in quality and responsiveness to families' concerns and the demands of the military lifestyle. Military families move on average every 2.9 years and their children may be at an educational disadvantage, even by many well-intentioned programs and rules designed to improve school quality. Military parents applaud higher accountability standards—they want the best possible instruction for their children as well as rigorous course offerings. They do not want their children punished, however, when the various Federal and state initiatives clash, causing difficulties for mobile children. Because of varying course standards, school schedules, and state graduation requirements, military children sometimes lose credits needed for graduation. Currently, at least 18 states have graduation requirements linked to performance on state exit exams and several others are developing exit exams. With the rise of exit exams and increased graduation requirements, transfers are becoming more problematic, especially in the high school years.

NMFA believes that the improved accountability measures promoted by the states and contained in the Federal No Child Left Behind Act will ultimately benefit all children. In the short term, however, NMFA is concerned that the reliance on states to determine what tests they will use to meet the federal testing requirements, what standards must be met for promotion and graduation, and how to determine which schools are making adequate progress will make things more difficult for military and other mobile children. If one-third of the population of a civilian school in a military community turns over every year, how can that school be held responsible for the academic performance of the children who just arrived? How fair is it to apply sanctions to a school for gaps in children's learning that occurred somewhere else? How can children be held responsible for concepts their former school, which used a different set of curriculum standards, never taught? NMFA urges Congress as it monitors the implementation of No Child Left Behind to take into account the issues facing mobile children and the schools that serve them to ensure they are not unfairly penalized for circumstances beyond their control.

Impact Aid: NMFA also asks Members of Congress to continue their support of Impact Aid. A well-funded Impact Aid program enables districts serving large numbers of military children to approach the level of educational opportunity available in neighboring, non-impacted school districts even though they do not have access to the same kind of tax base. Impact Aid dollars are provided in lieu of lost tax revenue to districts where the Federal responsibility is the greatest under the law. The dollars go directly to school districts with no strings attached. The local community, the people with the greatest stake in the quality of education in their schools, decides how Impact Aid funds will best serve the basic education needs of all students.

Military families understand that the Impact Aid program supports basic education services provided by their local school districts. They understand the impact the federal presence has on the tax base of these local districts and their states. They

understand the impact their children and the transient military lifestyle can have on their local schools. What they and their civilian neighbors do not understand is why Impact Aid funds fall short of the levels intended by the creators of the program or of the amount needed by their children's schools. Military children, whether living on- or off-base, impose costs on the district as they move in and out: records must be prepared, evaluations and testing must be done for special programs, transition labs or remedial programs may be needed. Military families hold the government, and the citizens they have sworn to serve and protect, accountable for living up to their promise to provide a quality education for their children. The districts have accepted the responsibility to educate military children; the Federal government must provide the resources it has promised to support that education.

NMFA thanks Congress for its continued funding of Impact Aid for the military children who live off the installation, the so-called "military Bs." Two-thirds of military families live off-base. Although military families living in the civilian community pay property taxes to help support local schools, they often do not contribute to other sources of education funding. States provide an increasingly larger share of local districts' funding. Many military members pay no state tax on their military income. They also shop in military exchanges and commissaries, thus paying no sales tax. Under the provisions of the Soldiers' and Sailors' Relief Act, they are often exempt from paying personal property taxes or license fees for automobiles if they are on military orders away from their home state. Funding for these children will become even more crucial for school districts as the military Services increasingly look to the civilian community to provide more housing for military families. Funding for military Bs will also be important to districts serving installations building privatized housing in civilian communities off-base rather than on the installations. Although developers may pay some taxes, these revenues may be inadequate, especially during the early years of the privatization contracts.

DoD Support: NMFA has been pleased with recent comments by DoD officials and with Department initiatives focusing on military parents' concern about the quality of their children's schools. In Congressional testimony and in press interviews early this year, Dr. David Chu, Undersecretary of Defense for Personnel and Readiness, outlined some of the factors other than mission capabilities that must be considered in the Department's considerations of installations to be slated for closure or realignment:

Once we begin the base realignment process, a careful look at the quality of life of civilian communities where our military families live is warranted. We owe children a good education no matter where their parents may serve, as well as good child care, homes, and spousal career opportunities.

Schools serving military children have been aided by improved interaction and partnerships with their local installations. The military Services are, to varying degrees, increasing their collaborative efforts with schools and their support to military parents who need information and assistance in becoming more effective advocates for quality education for their children. The Army has taken the lead in creating and funding School Liaison Officer positions to provide an important link between schools, the installation

command, and parents. Well-trained, involved school liaisons have also provided important information and support for school staff on how to support children during deployments. Other Services are beginning to hire school liaisons at some of their installations and, even when they do not have school liaisons, they frequently provide briefings on deployment-related issues to school staff.

Cooperation between educators and the military in support of military children and their schools is also occurring at the national level; the Department of Education has posted a resource guide for educators created by the DoD Educational Opportunities Directorate on assisting children in dealing with deployments. NMFA does wish, however, the brochure could be a little more visible and accessible on the web site! (<http://www.ed.gov/inits/homefront/homefront.pdf>) Private organizations such as the Military Impacted Schools Association and the Military Child Education Coalition have made materials available to help school districts better support children of deployed servicemembers. NMFA has also fielded its share of calls from school staff looking for deployment-related resources and has provided information in its newsletter and on its web site.

NMFA is pleased that the military Services are responding to military families' belief that quality education is both a quality of life factor and a retention issue. We hope that the partnership programs begun by the Services and local schools, the hiring of school liaison officers, and initiatives to provide military families with better information about local schools and to study the problems faced by military children as they move will continue despite the greater demands placed on both the military and supporting school districts. Out of the challenge of working together to develop plans for security and to move children, school staff, parents, and school buses on and off installations under security alerts have emerged better working relationships to address other issues. Service initiatives to facilitate parent involvement in schools, such as the policy at Fort Hood, TX and other installations that states a servicemember's place of duty is the scheduled parent-teacher conference, help schools and the children they serve. The Army has addressed the difficulties students' face when moving in their senior year by recently instituting a Senior Stabilization Policy that enables the soldier to request a delay in PCS orders so that a rising senior can finish high school at the current location. Since the policy was implemented two years ago, the Army has received applications from more than 2400 servicemembers for stabilization and has approved 99 percent. The biggest complaint NMFA has heard about this program to date is that other Services have not yet adopted it! The Army is also the lead agent for DoD on an initiative to educate states about the problems facing military members and their families in obtaining in-state tuition status. Heightened awareness among military commanders and local states about education issues has also resulted in the creation of reciprocity arrangements, most notably concerning the high school state history credit, to keep students from losing academic credit or from repeating similar courses.

Lastly, NMFA would hope that DoD will begin to request the supplement to Impact Aid, rather than wait for Congress to add it. Building this funding into its budget request would signal to school districts and military families that the Department wants to

ensure better quality in all schools educating large numbers of military children, not just those in DoD schools. Requesting this funding will also signal that DoD recognizes that it may need to assist schools with security, school construction, or special learning programs if the presence of military children or DoD programs and policies cause a loss of school funding or increased expenditures that cannot be met through Impact Aid or other Federal, state, or local programs.

Schools serving military children, whether DoD or civilian schools, need the resources available to meet military parents' expectation that their children receive the highest quality education possible. Impact Aid funding for both on and off-base children and the DoD supplement to Impact Aid provide needed funds in lieu of lost tax revenue and help districts meet the additional demands caused by large numbers of military children. Initiatives to assist parents and to promote better communication between installations and schools should be expanded across all Services. Military children must not be placed at a disadvantage as State and Federal governments devise accountability measures.

SPOUSE EMPLOYMENT

The ability of a military spouse to be employed and to have career progression affects both the family's finances and the self-sufficiency of the spouse when the member deploys. Studies after the first Gulf War showed that spouses who were employed handled the stressors of the deployment better than those who were not employed. NMFA anxiously awaits the DoD report on the status of its spouse employment programs requested by Congress in the FY 2002 NDAA. While we do not expect DoD to create a jobs program for every military spouse, it does need to facilitate the transition of mobile military spouses into already existing opportunities and to target efforts where spouses are having the greatest difficulty accessing educational programs or employment. Sixty-three percent of all military spouses and 87 percent of junior enlisted spouses (E-1 to E-5) are in the labor force. Very obviously, the financial health of the military family is significantly dependent upon the employment of the spouse. Family financial health is without question a family readiness issue.

The ineffectiveness of military spouse employment programs and military spouses' own efforts to pursue careers have been a source of frustration for service members, spouses, and the Department for at least two decades. This satisfaction was most recently highlighted in DoD's 2002 Active Duty Status of Forces Survey. When asked about their satisfaction with spouse employment and career opportunities, only 32 percent of the respondents stated they were satisfied; 34 percent were dissatisfied. Approximately one-fifth also noted that the loss of spouse income due to a PCS move had caused a problem for their family. Because they are more likely than their male peers to have an employed spouse, female military officers cite an even higher level of frustrations with spouse employment issues. In the 1997 DoD Survey of Enlisted Spouses, the majority of spouses in the job market reported that they had been unable to find a job that matched their experience and training.

Part of the frustration boils down to numbers and limited resources. Of the approximately 677,000 military spouses, approximately 60 percent are in the job market. Approximately one-third move each year, meaning that an average of 135,000 military spouses will need to find a job each year. Some civilian corporations, when moving employees, pay private relocation firms up to \$1,500 per spouse to help them find a job in the new location. The sheer numbers of military spouses make this kind of funding support out of reach for DoD. Service spouse employment program managers often have several other responsibilities within the installation family center and thus have difficulty finding the time to develop contacts with local employers, provide basic job search training to young spouses entering the job market for the first time, and help spouses who have been on a career track somewhere else find appropriate upward mobility at their new location.

In order to enhance military spouse career progression, NMFA suggests that DoD should first make improvements in its own Military Spouse Preference Program to make more Federal civilian jobs available to mobile spouses. We also hope that any proposed changes in DoD civilian personnel and hiring procedures expand opportunities for mobile military spouses to become part of the DoD workforce; we look to Congress to ensure that military spouses are not placed at a disadvantage by these changes. Because DoD is increasing the number of contract positions, NMFA also suggests that Congress expand the use of Military Spouse Preference to include jobs offered by government contractors. DoD should continue to expand its nascent partnership efforts with corporations and other Federal Departments to enhance training, placement, and career progression for military spouses.

To address the spouse employment dislocations caused by Permanent Change of Station (PCS) moves, DoD should work with states and localities to enable military spouses to participate in local educational and training programs at the same fee structure as in-state residents, to encourage states to enter into reciprocity agreements covering trade and professional licenses, and to raise awareness of the needs of transitioning military spouses. A spouse professional goods allotment included in relocation weight allowances could help affirm the importance of a spouse's career or volunteer activities to the military family. Key in addressing the financial burden placed on military families when they make a PCS move is ending the reluctance of many states to pay unemployment compensation to military spouses who quit their jobs to accompany the service member on military orders. At a time when family expenses are already high, the family should not be forced to give up the spouse's income. The inability to collect unemployment compensation often means that military spouses must take the first available job at their new location because they cannot afford to spend time looking for more suitable, career-enhancing positions. Employers in military communities are aware of this need and thus tend to offer lower wages to the military spouse.

NMFA looks forward to the release of the DoD spouse employment report and to increased efforts to enhance military spouse career progression. NMFA believes that DoD's primary focus related to spouse employment should be on mitigating the disruptions caused by government-ordered moves. It should also make the Military

Spouse Preference program more responsive to changes in government hiring practices. Partnerships with other agencies and employers as well as coordination with states to promote training and educational opportunities, address licensure issues, and secure unemployment compensation for spouses forced to move would also enhance the financial well-being of military families.

RELOCATION

While progress has been made in easing the difficulties faced by military children when they enter new schools as a result of their military parent's PCS orders and initiatives are being developed to aid military spouses in transporting their careers, military families note less help in facilitating the actual move process. NMFA is appreciative of the significant increases in certain PCS allowances authorized in the FY 2002 NDAA. These are very significant steps to upgrade allowances that had been unchanged for over 15 years. Even with these much-needed changes, however, servicemembers continue to incur significant out-of-pocket costs in complying with government-directed relocation orders.

PCS household goods weight allowances were increased for grades E-1 through E-4, effective January 2003, but weight allowance increases are also needed for E-5s and above and officers as well to more accurately reflect the normal accumulation of household goods over the course of a career. The frequency of PCS moves coupled with the spotty quality record of many carriers requires continued improvements to the household goods movement process, to include a greater emphasis on measurable accountability standards in the evaluation of carriers. After a series of pilot programs designed to test improvements to the move process, DoD is now developing a "re-engineered" program incorporating some of those improvements. NMFA has been informed that the anticipated roll-out of this new initiative is expected in fall 2004. The new program, called "Families First," is being developed by a working group made up of representatives of the military Services and the moving industry. Ironically, the "Families First" working group has sought no input from military families!

This year's DoD request for the NDAA contained a provision to authorize the payment of full replacement value for goods damaged in PCS moves. In recent NMFA briefings to family members, this legislative proposal was the one receiving the highest praise, with the sentiment, "It's about time!" Family members have been shocked to learn that, although requested by DoD, the full replacement value provision was included only in the Senate version of the NDAA. Federal civilian employees receive full replacement value reimbursement for goods damaged in their government-ordered moves. NMFA urges Congress to provide the same benefit for military families as soon as possible, and not make it contingent on the implementation of another round of "re-engineering."

NMFA urges Congress to continue upgrades of permanent change of station reimbursement allowances to recognize that the government, not the servicemembers, should be responsible for paying the cost of government-directed relocations. NMFA urges Congress to include authorization for the payment of reimbursement for full replacement value of goods damaged in PCS moves and to

increase weight allowances to better reflect the accumulation of household goods over a servicemember's career.

HEALTH CARE

After a rocky start over several years, the TRICARE system is providing most of the promised benefit for most families, particularly those enrolled in Prime. Changes made in the Prime Remote program for active duty families and ensuring access to Prime and Prime Remote for the families of activated Guard and Reserve members have gone a long way to providing a truly uniform benefit for all families of those on active duty.

NMFA is appreciative of Congressional initiatives this year to provide additional assistance to TRICARE Standard beneficiaries, to provide a point of responsibility within DoD to ensure that Standard beneficiaries receive appropriate benefit information, and to identify locations with inadequate provider participation in order to encourage more providers to participate in TRICARE. The Senate proposal to mandate market area surveys of TRICARE Standard provider participation will provide DoD and Congress with the information they need to determine the causes of provider shortages reported by beneficiaries and to devise a solution to the problem. NMFA notes that these surveys, as with all surveys of civilian provider participation in TRICARE, must not only identify participating or network providers, but also whether or not these providers are accepting new TRICARE patients.

Despite the improvements in TRICARE, NMFA remains apprehensive about several issues: beneficiary access to health care, the implementation of a new generation of TRICARE contracts, and the ability of National Guard and Reserve families to have reasonable access to care and continuity of care.

Access: Although recent TRICARE surveys highlight improvements in beneficiary access to care, NMFA continues to field calls from beneficiaries with access issues. Servicemembers and families enrolled in Prime are promised certain standards for access to care in providing appointments, wait times at a provider's office and geographic availability. Yet the calls we receive tell another story. Even servicemembers are told by the direct care system, "Call back next month, there are no more appointments available now." Family members are routinely not informed that they can request an appointment with a provider in the civilian sector if access standards cannot be met in the direct care system. However, IF the member or family member mentions the words, "access standards," appointments that fall within the guidelines magically appear. Although deployment-related access issues at MTFs now seem to have been resolved, NMFA is concerned that some family members may have been denied access to timely care despite the promises made when they enrolled in TRICARE Prime. TRICARE was designed so that care could be provided in a timely manner within the civilian network when it was not available in the direct care system. There is no reason, including the deployment of medical personnel, that access standards should not always be met.

TNEX and other contracts: The next round of TRICARE Contracts (TNEX) would appear to place significant new levels of authority and responsibility on local

Military Treatment Facility (MTF) commanders. NMFA is concerned this may actually increase the differences in how beneficiaries access care rather than make it more uniform. NMFA looks for assurances that the transition to the new contracts and from the current twelve United States regions to only three will be managed to cause as few disruptions as possible for beneficiaries. Because existing regions will be brought gradually into the newer, large regions, the potential exists for an education and information nightmare as beneficiaries moving to a new location try to determine what regional contractor handles their enrollment, processes their claims, and sets the “rules of the road.”

Currently, Managed Care Support Contractors in some regions have total responsibility for making appointments, and in all Regions have the responsibility for making appointments within the civilian network. The new contracts would appear to leave this responsibility to the local MTF commander, either to arrange all of the appointments or to opt into an as yet unknown national appointment contract. Also, all current Managed Care Support Contractors are required to have a health information line. Surveys have revealed that military beneficiaries use these advice lines at a higher rate than civilians, yet the new contracts do not require TRICARE contractors to offer them. Instead, the decision to have one and/or which one to have is left up to the local MTF commander.

TNEX also appears to blur lines of authority and accountability rather than strengthening them. Beneficiaries need a clear line of command and accountability for their problems with accessing care to be fixed and for their concerns about quality of care to be appropriately addressed. This oversight also must apply to information about changes to the benefit or in how beneficiaries access care from the current method. If changes are to be made, beneficiaries need to be educated and informed BEFORE the fact.

NMFA is especially worried about what will happen to the resource sharing arrangements that have provided the staff necessary to optimize care in the military facilities, thus providing continuity of care for patients while enabling the system to avoid the higher costs of paying for care the civilian sector. Resource sharing arrangements made by the Managed Care Support Contractors at the request of the military hospital commanders have been a TRICARE success story for beneficiaries and the facilities. Currently, there are approximately 600 resource sharing arrangements provided by the Managed Care Contractors in 95 military treatment facilities. They have enabled commanders to keep Emergency Rooms open longer hours, staff more operating rooms, operate additional primary care and pediatric clinics, and maintain access standards during deployment and summer rotation staffing gaps. Unfortunately, the TNEX contracts call for current resource sharing agreements to end immediately on the termination of the old TRICARE contracts. Although the Services and their MTF commanders will have the authority under the new contracts to enter into various types of contractual agreements with providers, NMFA is concerned that the abrupt termination of existing resource sharing agreements may result in the loss of valued medical providers

familiar with the medical needs of the beneficiaries they serve and at least a temporary halt to certain vital services.

Madigan Army Medical Center at Fort Lewis, WA, for example, uses resource sharing arranged by the TRICARE contractor to staff its pediatric clinic. Resource sharing provides 3.4 physician and 4.4 Licensed Practical Nurse positions, as well as clinic support staff, enabling the hospital to keep approximately 24,000 patient visits each year in the facility. When the current Region 11 contract expires next year, the agreement providing that staff goes away. Imagine the disappointment of the families who have come to depend on those doctors and nurses to care for their children when told their hospital no longer has the means to retain them. Imagine the reaction of a deployed servicemember when he or she receives an e-mail from the spouse that their child's doctor is no longer available because of the provisions of a "new and improved" TRICARE contract.

To protect beneficiaries' continuity of care during the implementation of the new contracts, NMFA believes that current resource sharing arrangements should not automatically end with the expiration of the existing TRICARE contracts. Rather, a plan must be in place to allow for a bridge period under which the resource sharing arrangements can be transitioned smoothly from the control of the Managed Care Support Contractors to the MTFs. The plan's emphasis must be on ensuring that current providers are retained in order to protect the relationships they have developed with patients and with the facilities.

NMFA is also concerned that the transition to the new contracts has delayed implementation of the important changes in the Program for Persons with Disabilities (PPWD) enacted by Congress in the FY 2002 NDAA. The program to replace the PPWD has been developed and, according to briefings provided to military association representatives and at this year's TRICARE Conference, promises a rich benefit and vital assistance for some of the most vulnerable active duty families. Members of these Subcommittees were instrumental in securing the legislative changes to enhance this program; NMFA urges Congress to press for implementation as soon as possible following the start-up of T-NEX. Legislative "tweaking" may also be needed to provide a benefit bridge as servicemembers move from active to retired status until they can secure needed benefits for the disabled family member in their local community.

Guard and Reserve Health Care: While the "rules of the road" for using TRICARE, particularly Prime, seem now to be well understood by most active duty and retired family members, it is another story for National Guard and Reserve families. Since many of these families do not live near an installation, most of their information comes in printed form, on the web or via telephone. In addition, many live in areas where providers are unaware of TRICARE, as there are few if any other uniformed service beneficiaries in the area. Lead Agents and TRICARE contractors routinely conduct TRICARE briefings for members of units about to mobilize; unfortunately, in most cases, families (those who will actually have to navigate the system) live too far away to attend. If the servicemember and family live in a different TRICARE Region from the one where

the unit is located, the information provided in the unit setting may not be the same for the Region in which the family actually lives. Decisions to enroll in Prime, use Standard or remain with an employer provided plan need to be family decisions based on full and accurate information provided to servicemembers AND their families. NMFA is pleased that the Senate has recognized the distinct health care information and education needs of Guard and Reserve members and their families and included a provision in S.1050 to require DoD to create new Beneficiary Counseling and Assistance Coordinator positions (BCACs) to assist them in making the transition to TRICARE and guiding them through the transition following demobilization. These new BCAC positions will be located at both the Lead Agent offices and at the MTFs and will be in addition to the BCACs who currently provide assistance to other beneficiaries.

NMFA has long believed that the approach to meeting the health care needs of Guard and Reserve members and their families must be flexible enough to ensure access to care and continuity of care. We believe the provisions in S.1050, as amended, address most of these issues. The amendment approved by the Senate would authorize Guard and Reserve members, for a reasonable premium, to enroll themselves and their families in TRICARE when not on active duty. Thus, members who currently have no insurance in civilian life could have access to an affordable program and would enjoy continuity in both program and care for the family when the member is activated. Alternatively, the legislation would authorize DoD to pay the premiums of an employer-provided private sector plan for the family of an activated Guard or Reserve member up to the level of what TRICARE would cost DoD if it were provided to the member and his/her family. This would allow those with civilian provided coverage to continue with their current plan and providers.

Defense Health Care funding must be adequate to meet readiness needs and provide for both the purchased care segment of TRICARE and the direct care system. Access standards were part of the promise DoD made to families when they enrolled in TRICARE Prime and must be met. Civilian networks must be robust enough to support MTFs in meeting the access standards. Recruitment of TRICARE Standard providers and education of Standard beneficiaries should be as much a part of the TRICARE program as are these endeavors for Prime providers and enrollees. The new round of contracts must provide standardized ways to access health care across all Regions and beneficiaries should have a clear picture of who can solve their access problems and quality of care concerns. Families of Guard and Reserve members should have flexible options for their health care coverage that address both access to care and continuity of care. In addition, accurate and timely information on their options and such things as transitional health care must be provided to the families as well as the servicemember.

MILITARY ALLOWANCES AND FEDERAL PROGRAMS

As servicemembers were preparing to head to the Middle East for Operation Iraqi Freedom, NMFA heard from some of the most vulnerable military families of a large cost being imposed on them because of the servicemember's deployment. Disabled family members of military servicemembers may qualify for Supplemental Security Income

(SSI), based on the disability and on income. Often the SSI payment itself is relatively small; however, SSI is the gateway to coverage under Medicaid, which covers some services not covered by TRICARE. When servicemembers deployed and began receiving deployment-related payments, they discovered that their disabled child or spouse would probably lose eligibility for SSI because of the increase in the family income. Some families actually tried to refuse the extra allowances because the services provided as a result of their SSI eligibility were more valuable than the additional pay. One Marine family cited in press reports, for example, received approximately \$400 in additional deployment allowances, but stood to lose services, supplies, and medical care for their disabled three-year-old worth \$8,000 a month. The problem: Social Security counted special pays and allowances as unearned income when calculating a person's eligibility for SSI, thus weighting the allowances heavier than basic pay.

After Members of Congress brought this issue to the attention of the Social Security Administration this spring, Social Security Commissioner Jo Anne B. Barnhardt, issued an emergency regulation, retroactive to October 1, 2002, to exempt deployment pay received while the servicemember is in an officially designated combat zone from the eligibility calculation for SSI benefits. Commissioner Barnhardt issued a second ruling on March 27 to exempt Basic Allowance for Housing (BAH) received by servicemembers residing in privatized military family housing from SSI eligibility calculations, thus protecting residents of military family housing once it is turned over to private developers. Families living in government quarters are more likely to qualify for SSI than families receiving BAH because the value of the government housing is not counted toward SSI eligibility while BAH is. When government housing is privatized, servicemembers, even if still living on the installation, begin receiving BAH, which is then paid to the developer as rent in an allotment.

This spring's SSI dilemma highlights a long-standing frustration for military families: the confusion involved in how and when military allowances are counted for tax purposes or to determine eligibility for military and civilian programs. The treatment of BAH alone, as seen in the following matrix, results in confusion for families and disparities as they move from one assignment to another and from on-base to off-base housing. The matrix shows only Federal and DoD programs; many state programs also have varying rules for treating BAH and other military allowances.

Basic Allowance for Housing (BAH) and Program Eligibility

Program	Value of Government Quarters	Privatized Military Family Housing (BAH included on Leave and Earnings Statement)	BAH
Earned Income Tax Credit (EITC)	Excluded	Excluded	Excluded
Food Stamps	Excluded	Included	Included
WIC (USDA)	Most states exclude	Most states exclude	Most states exclude
WIC Overseas (DoD)	Excluded	N/A	Excluded
DoD Family Supplemental Subsistence Allowance	Included (adds in amount of BAH servicemember would have received)	Included	Included
National School Lunch Program (USDA)	Excluded	Excluded	Included
DoD Overseas Student Meal Program	Excluded	N/A	Excluded
Head Start Program	Excluded	Included	Included
Supplemental Security Income (SSI)	Excluded	Excluded	Included
DoD Child Care Fees	Includes BAH II (not geographically-based BAH)	Includes BAH II (not geographically-based BAH)	Includes BAH II (not geographically-based BAH)

As can be seen in the matrix, BAH is not even consistently treated under DoD programs. The eligibility puzzle has grown more complicated in recent years as the military Services have begun to privatize military family housing. The promise of privatization is that the Services will be able to upgrade their housing stock at a faster pace using private capital than by relying on the military construction process. By law, when housing is privatized, servicemembers must be paid BAH. The effect of this provision on family members' eligibility for certain safety net programs was not known when the privatization authorities were created. It soon became evident, however. When Army housing at Fort Carson, CO was privatized, two-thirds of the families living on Fort Carson who were eligible for food stamps became ineligible, simply because they started receiving BAH. The inclusion of the BAH on their Leave and Earnings Statement

(LES) made it appear that these families' income had increased, even though they were living in the same house and the BAH was immediately paid out as an allotment to the developer as rent.

Next, many families found out they no longer qualified for free and reduced school lunches because of the inclusion of BAH on their LES. Because the percentage of children on free and reduced lunches is used as the poverty rate when qualifying schools for federal Title I funds and certain state school funding, the local school district serving Fort Carson stood to lose approximately \$400,000 in the year following the privatization. School districts launched a legislative initiative to restore the status quo so that children would remain eligible for free and reduced lunches and schools would remain eligible for funding they needed to better serve their students. The legislative change exempting BAH received by servicemembers in privatized housing from eligibility calculations for free and reduced lunch passed as an amendment to the Farm Security and Rural Investment Act of 2002 (P.L.107-171).

Last year's protection of the status quo in determining eligibility for free and reduced lunches and this year's SSI regulatory change related to BAH are a boon to families living in privatized housing. These changes, however, do exacerbate disparities experienced by military families based on where they live. Often, whether or not families live in on the installation in government quarters or privatized housing is determined by chance—by the availability of housing or the size of the waiting list—and not by choice. Young families most in need of government housing are often forced to seek housing on the economy because there is not enough junior enlisted housing available on the installation. Although funding for BAH has improved in recent years thanks to funding support from Congress, on average, BAH still does not cover servicemembers' total housing costs. This year, it is funded to provide on average all but 7.5 percent of out-of-pocket costs for a housing standard tied to a servicemember's rank. The standard on which BAH is based for an E-5 with dependents, for example, is a two-bedroom townhouse. Servicemembers needing a larger home off-base cover the additional rental costs out of their own pockets, yet because they receive BAH, they often have too much income to qualify for federal safety net programs. Servicemembers lucky enough to receive either government quarters or privatized housing on an installation obtain the appropriate size housing for their family size and, because the value of their government housing does not count toward eligibility for most programs, they find it easier to qualify. Families in privatized housing by law may be charged no more in rent than their BAH, thus limiting their out-of-pocket costs. So, we have the situation where families living on base with fewer expenses qualify for additional support programs while families living off-base with higher housing and transportation expenses do not.

NMFA urges Members of these Subcommittees to assist in bringing a sense of order in how military allowances are counted for federal programs to ensure equitable access to these safety net services and to protect families against disruptions in benefit eligibility caused by the receipt of deployment pays. No family should have to face the prospect of losing valuable benefits for a disabled child because a servicemember has received deployment orders. Families living off the installation are often there only

because of insufficient on-base housing, yet endure higher expenses than families living on an installation. Ideally, therefore, NMFA believes tax free allowances such as BAH should not be counted under any safety net program, which is how they are now treated in determining eligibility for the Earned Income Tax Credit (EITC). NMFA understands that this could increase the number of military families eligible for some of these programs, but believe this is justified given the need for equitable treatment of all servicemembers, as well as the loss of spouse income due to military relocations and high operations tempo.

Inconsistent treatment of military allowances for tax purposes and in determining eligibility for safety net programs creates confusion and disparities between servicemembers based on where they are able to find housing, and can exact a financial penalty on military families. A start in correcting this inequity would be to adopt a common standard in how BAH should be counted in eligibility formulas and to ensure that the receipt of deployment-related allowances do not cause military family members to become ineligible for support services for which they would otherwise be eligible.

NMFA thanks these Subcommittees and Congress for your advocacy for a better quality of life for servicemembers and their families. Just as the family worries about the deployed servicemember, the servicemember's constant concern is about the well-being of his or her family. In the dangerous environment in which they must frequently operate, servicemembers cannot afford to be distracted by concerns at home. They need to know their spouse has access to information about benefits and services available, their children are receiving a quality education, their family can access health care when needed, their family's prized possessions will arrive at a new home in one piece, their spouse isn't frustrated by an inability to have a meaningful career, and that their disabled child has not lost vital services simply because of deployment or the location of the family's residence. Assuring the servicemember that the decision to serve will not penalize the family is critical to the servicemember's readiness and thus to mission readiness. The stability of the military family and community and their support for the forces rests on the Nation's continued focus on the entire package of quality of life components. Military members and their families look to you for continued support for that quality of life. Please don't let them down.