

**TESTIMONY**

**Major General Gus Hargett, (Ret.), President  
National Guard Association of the United States**

**Hearing on Military Compensation and Retirement Modernization Commission's  
Recommendations on Health Care**

**Senate Armed Services Committee  
Subcommittee on Personnel**

**February 25, 2015**

Senator Graham, Senator Gillibrand and other distinguished members of the Subcommittee:

On behalf of the entire membership of the National Guard Association of the United States, I thank you for the opportunity to testify today on the health care recommendations made by the Military Compensation and Retirement Modernization Commission in their final report.

Firstly, I would like to go on the record and thank the Commission for its hard work. National Guardsmen nationwide applaud the Commission for providing some innovative ideas and a starting point to deliberate reform of the military's retirement and health-care systems. We believe its final report is a great way to reduce personnel costs while preserving the viability of the all-volunteer force.

Maintaining medical readiness, including dental readiness, allows the National Guard to be truly an operational reserve of the Army and Air Force. NGAUS supports any change in health care benefits that allow the National Guard to be ready to serve this nation at home and abroad.

The Commission recommends that changes and alternatives to TRICARE are in order citing problems with access to care, number and location of providers, cumbersome referral and authorization process, limited provider networks and members preference for a greater choice. The Commission found that National Guard members are faced with difficult choices during mobilization and demobilization and that these transitions can be costly for Guard families and disruptive to health care coverage, especially for service members who are mobilized in support of a mission that is not a contingency operation. All these problems do exist for the National Guard. Because Guardsman are not living on bases, but in their communities across the country, access to care on the current TRICARE Reserve Select program, can be extremely difficult.

Another issue with the current health insurance program looms large for the Guard. When a member of the Guard is mobilized, his/or her health insurance changes. When it changes to the limited provider network of TRICARE, a member and his/her family usually have to change doctors. Changing back and forth on insurance is very disruptive to health care coverage, usually during the time most stressful to a member and their family. Issues of timely enrollment and issues when returning to civilian health insurance challenge all activated Guardsmen and women.

As I understand it, the Commission recommends giving service members the option of selecting from the more than 250 health insurance plans available under the Federal Employees Health Benefits Program (FEHBP). This program would be called TRICARE Choice. Of the 250, at least 11 plans cover every area in the country. The Department of Defense would sponsor and approve the levels of care of these commercial health insurance plans and service members and

their families would not be subject to the same rates as other federal employees within FEHPB. The thought is that more physicians are available in FEHBP networks and that it is more likely Guard families' civilian job health insurance physicians are one in the same. I believe that expanded choices for health insurance will be well-received by the National Guard for these reasons.

DoD would also fund part of the Guard member's existing health insurance plan instead of requiring transition to a DoD-sponsored commercial programs. For example, Guard members who are mobilized would receive a new Basic Allowance for Health Care (BAHC) to apply toward a DoD plan or to cover the employees share of their existing health care plans. I believe many members of the Guard will take advantage of this option.

These recommendations should increase access and choice for the entire reserve component, but NGAUS remains concerned with the actual costs of these FEHPB plans. Right now, not every member of the Guard can afford health care, and along with maintaining military readiness, one of our top priorities is to see every member of the Guard and their families are able to afford health insurance. Although the research work of the Commission is broad, it's important we see the actual monthly costs of the each program to a service member for the 250 plans that would be available under FEHBP. NGAUS would recommend the Subcommittee bring in actuaries to do a cost-benefit analysis of each of the programs. Choice and the size of the provider networks should bring costs down, but these questions need to be answered before members and retirees of the Guard would feel secure in supporting the elimination of TRICARE as it now stands.

Another issue of access to health care benefits involves the men and women of the Guard who are military technicians. Our technician force is made up of the people who run our armories and wings

on a daily basis. They do not have the same privileges under current law nor were changes to their access and affordability addressed by the Commission. Although I understand the Commission could not address every situation, these men and women who serve under Title 32 or Title 5, should also be able to take advantage of a new modernized health care program and I ask that the Subcommittee examine the lack of health care benefits now available to our technician force, and work with the other Committee of jurisdiction to address these vital concerns.

Another recommendation of the Commission, although not directly health care related, does relate to the mental health and welfare of the families of members of the Guard. This recommendation concerns military children. The Commission noted that children experience unique stresses associated with parental deployments, and that these stresses can adversely affect academic performance and recommends that children of active-duty service members be identified in nationwide reporting of student performance. Although not mentioned, children of the National Guard and Reserve should also be identified and their issues addressed.

Again, I thank the members of this Subcommittee for the opportunity to provide input into what I hope will be the start of modernization of our compensation and retirement systems in the military. NGAUS supports any changes that promote the viability of the force. It's time now for all of us associated with the military to work with Congress to finish the job. NGAUS stands ready to provide the Subcommittee with any help it needs.