

## **Editorial Response to “The Right Way to Cut Pentagon Spending” in the *Wall Street Journal*, February 5, 2013**

February 8, 2013

Dear Wall Street Journal,

The Fleet Reserve Association (FRA) believes it’s important to clarify references to military health care costs addressed in Michele A. Flournoy’s opinion article entitled “The Right Way to Cut Pentagon Spending” (February 5, 2013).

FRA concurs with Undersecretary Flournoy’s assertions that the U.S. “has an abysmal record of managing post-war drawdowns of defense spending” and that “almost all have resulted in a ‘hollow force’ – too much force structure with too little investment in people, readiness and modernization.” However, stating that out-of-pocket expenses for TRICARE beneficiaries haven’t changed since the program’s inception in 1996 isn’t accurate.

Beneficiaries are, indeed, shouldering a share of increased health care costs. Premiums for military retiree TRICARE Prime beneficiaries have not remained stagnant, as Flournoy contends. They were increased by 13 percent per provisions of the FY 2012 National Defense Authorization Act (P.L. 112-81) and are now adjusted annually based on the same inflation index used to calculate military retired pay.

In addition, TRICARE pharmacy fees are being increased significantly, beginning this month, for brand name and non-formulary prescriptions at retail pharmacies. As mandated by recently enacted legislation, these fees will also be adjusted annually based on the above-referenced inflation index.

Military benefit enhancements enacted since 2000 addressed a significant gap (13.5 percent) between military and civilian pay scales, major recruiting and retention concerns and the resulting “hollow force” mentioned by Flournoy. Several adjustments were in response to the government’s past commitments, some of which remain unkept, to personnel who served careers in the military.

The increasing demands and associated stress on personnel waging war in Iraq and Afghanistan and defending our nation are significant. And the declining defense budget as a percentage of Gross Domestic Product (GDP) – particularly in comparison to past wartime periods – makes fulfilling expanding military commitments with fewer personnel increasingly difficult. Simply comparing military compensation, health care and retirement benefits to those associated with civilian employment also neglects the level of risk and responsibility shouldered by the one percent of our population who serve in the armed forces.

Just as highly-vaunted and growing entitlement and social programs (and their associated budgets) are important to our country, military compensation, health care, retirement and benefit programs are essential to sustaining the All-Volunteer Force, vital to maintaining military readiness and ensuring our national security.

It’s a matter of priorities. Readiness and national security come with a price, both monetary and the incalculable costs of lives lost and/or altered by military service.

Joseph L. Barnes  
National Executive Director  
Fleet Reserve Association