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125 N. West Street Alexandria, VA 22314

1-800-FRA-1924 703-683-1400 703-549-6610 (fax)

September 21, 2011

The Honorable Patty Murray United States Senate 448 Russell Office Building Washington, DC 20510 The Honorable Jeb Hensarling U.S. House of Representatives 129 Canon Office Building Washington, DC 20515

Fax: 202-224-0238

Fax: 202-226-4888

Dear Senator Murray and Representative Hensarling:

Members of the Fleet Reserve Association (FRA) are alarmed about proposals to significantly change military and veterans programs in conjunction with major budget cuts associated with the work of The Joint Select Committee on Deficit Reduction. FRA was established in 1924 and is the oldest and largest organization serving enlisted active, Reserve, retired and veterans of the Navy, Marine Corps, and Coast Guard plus their families and survivors. Our members ask that all members of the Joint Select Committee note the following priority issues.

First and foremost, military service is unlike any other government or civilian occupation – a reality missing from many proposals to drastically reduce hard-earned benefits. In addition, there's usually no mention of commitments made to those currently serving and those who've served in the past. Instead, the focus is almost always solely on costs to the government.

Of paramount importance is ensuring that this nation's wounded warriors are provided with the best available care and support. We're still at war, and although the military operations are winding down, resources must continue to be authorized for treating significant physical and psychological wounds experienced by many currently serving in theatre and those who've served in the past.

One percent of the population is shouldering 100 percent of the responsibility for prosecuting the war efforts and maintaining our national security. And justifying proposals to change benefits based on what government workers or personnel working in the corporate world receive is disingenuous. Regardless of proposals to cut benefits, total defense spending as a percentage of GDP is already historically low compared to past periods of conflict resulting in growing pressure to further reduce spending via end strength reductions, a possible active duty pay freeze, completely restructuring retirement benefits and shifting health care costs to beneficiaries. The effects on those serving and their families are apparent – and include declining morale, increasing use of alcohol and prescription drugs, alarming suicide rates, more divorces and talk of a re-



turn to the "hollow force" era from the not too distant past. These indicators are certainly not conducive to maintaining a high level of military readiness. And related to this are increasing service-related claims processing delays at the VA (despite significant funding increases in recent years), and alarm within the active, Reserve, and retiree communities about proposals to establish a TRICARE for Life fee each year, impose drastically higher pharmacy co-pays and change retirement benefits to conform with corporate practices.

Adequate DoD and VA health care funding is of utmost importance and affects all segments of the military and veterans' communities. It should also be noted that the House and Senate Armed Services Committees have already approved a 13 percent increase in TRICARE Prime enrollment fees commencing in 2012 and that future fees would be tied to the annual Consumer Price Index (CPI) adjustments. Indexing annual adjustments to the CPI is essential to preventing the erosion of future retired pay for military retirees – many of whom retired prior to the significant, overdue and well-justified pay and benefit enhancements enacted since 2000. These improvements addressed a 13.5-percent pay gap and helped fulfill past government commitments to service members, their families and survivors – particularly with regard to the enactment of TRICARE for Life. Many in the ranks of our Association were promised "free" health care for life in return for enduring low pay, arduous duty assignments and other challenges during their respective military careers.

It's also essential to enact a permanent solution to the repeatedly delayed and looming Medicare/TRICARE physician reimbursement rate cuts – or the so-called "doc fix" – which is essential to access to care for beneficiaries for both TRICARE and Medicare programs.

Your consideration of these issues is appreciated. And as you proceed with your difficult work, please remember the unquestionably unique nature of military service and the unwavering dedication of those currently serving in the All Volunteer Force, and commitments made to those who've served our nation so courageously in the past.

Sincerely,

JOSEPH L. BARNES
National Executive Director

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cc: The Honorable Carl Levin

The Honorable John McCain

The Honorable Howard P. "Buck" McKeon

The Honorable Adam Smith