



Wichita Chapter News

MILITARY OFFICERS ASSOCIATION OF AMERICA



PRESIDENT'S CORNER

MAY 10, 2019

DEAR MOAA MEMBERS,

IT'S ALMOST SUMMERTIME ☺ This is our last newsletter for the Spring of 2019 and the end of our first year of the two- year term. Thank you all for your support and participation this year. Thanks especially to our Chapter Executive Committee: LTC John Hughey, for an outstanding slate of guest speakers; LTC Greg Willingham for stepping in as 2nd VP; Maj Earl Shellner for his unfailing support as the Secretary and standby Chaplain in the preparation of the newsletter; and MAJ Walt Nelson for his continued maintenance of our website even while both are dealing with significant health concerns; and, Maj Shellie Harmon's continued dedication to maintaining our financial matters and simplifying our financial reports. I also want to thank Donna Morrison for many years of service as the Surviving Spouses and Personal Affairs Representative and to LTC Roy Yanchesky for volunteering to take her place. Thanks also goes to COL Richard Gilmartin, Col. Michael Dillard, LCDR John Hyde, LTC Paul Inman, MAJ Andy Trager, and Karen Wohlwend who provided superb information, insights and recommendations in steering the activities of our Chapter. Finally, I want to thank COL Robert Hester for allowing us to use his office and conference room for our Executive Committee meetings and his work in organizing and overseeing our chapter's JROTC Scholarship Board and reorganizing how the scholarship funds will be controlled. Included in the newsletter is a memo from COL Hester detailing the recent scholarship board and the results from that board.

Also included in the newsletter are some extracts from MOAAs recent "Storming the Hill" where a number of our regional and national leadership engaged as many Representatives and Senators as possible to express their concerns and request support of legislation we see as vital to active duty and veteran benefits. You can see the full position papers on these issues on the MOAA National website. (<https://www.moa.org/>) One additional issue discussed at the Storming the Hill preparation meetings concerned an upcoming loss of medical personnel billets. As a result of sequestration, in order to come up with the number of sailors needed for our expanding navy, the decision is being considered to move 18,000 manpower billets from the services' medical branches to navy operations billets. This could result in the movement of a large number of dependents and retirees to off-base TRICARE medical facilities. There will be more on this during the summer, please read the MOAA National Newsletter for information. Finally, please consider contacting our Congressman/Senators and advocating for the necessary legislation to ensure our benefits are maintained.

Our first meeting this fall will be on 15 September at Rolling Hills Country Club. I look forward to another busy and productive year. By that first meeting I hope to have an update on the new Army ROTC unit at WSU. At this point the program is still organizing and gaining cadets. I wish them well. Our next MOAA business meeting will be May 19 at the Rolling Hills

Country Club. Brunch starts at 11:30 and the meeting begins at 12:45. Look forward to seeing you there.

As always, your input is always welcome. Email all concerns to me at m2george55@gmail.com.

Michael R. George, Lt. Col. USAF-Ret., President

Memo from COL Robert Hester, Director JROTC and Leadership Programs:

The MOAA Scholarship Board met this afternoon to consider cadets from Wichita and Derby for Scholarships. Members of the board were: LTC John Sray, LTC Roy Yenchesky, Mr. Jonathan Wyss from USD 259, and Mr. Robert Ash, from USD 260. Throughout the year MOAA members contribute money to the JROTC Scholarship fund so that cadets can have the opportunity to attend college. Donations were also received from the Society of Professional Engineering Employees in Aerospace (SPEEA), and the Military Order of the Purple Heart.

Scholarships are awarded based on the following criteria: 20% academics; 30% participation in JROTC; 20% financial need; 10% school and community service; 10% future plans; and 10% essay on "How JROTC has improved my Character and Leadership."

The recipients of this year's scholarships are:

C/LtCol Litzy Solano, East HS: \$1500 MOAA and \$500 Purple Heart

C/Col Natalie Knowles, Derby HS: \$1500 MOAA

C/Col Tabitha Barger, Derby HS; \$1500 MOAA

These cadets and their parents are invited as guests to the MOAA Brunch, Rolling Hills Country Club, 223 S. Westlink Dr, Wichita, on 19 May where they will be presented Scholarship Certificates.

Congratulations to these outstanding cadets, and our sincere thanks to the members of MOAA, SPEEA, and Purple Heart for their support of JROTC.

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TROW Luncheon Meeting

The next TROW luncheon is set for Friday, May 17 at the Wichita Country Club, 8501 E. 13th St. The meeting starts at 10 a.m., and features Wayne Bryant of the Music Theater of Wichita. Please plan to attend what promises to be an entertaining meeting.

Significant Issues Raised by MOAA During Storming the Hill

A. Protect Pay and Benefits.

MOAA's Position: MOAA supports maintaining the military pay and benefits essential to recruit and retain the high-quality all-volunteer force necessary to meet the nation's security and warfighting requirements now and in the future. This year, for the FY 2020 National Defense Authorization Act, we seek every legislator's support for the 3.1 percent military pay raise, per the ECI. Further, we oppose any changes that decrease military compensation, to include housing allowances. Please join us to ensure our men and women in uniform get the pay raise they have earned, and as intended by law. And help us ensure housing allowances are protected from arbitrary cuts to fund other programs.

SHRINKING POOL OF RECRUITS Service chiefs face an uphill climb when trying to find qualified recruits; the factors are many. At the heart of the issue is basic eligibility like academics, health, and fitness. Add criminal records and drug abuse, and you narrow the 20-million- person pool to about 4.4 million. Propensity to join is another factor, reducing the pool even further to about 400,000. The Army alone will need 80,000 of these potential recruits, and the other services, combined with the Guard and Reserve, will push the need to about 265,000. Throw in a low unemployment rate, and the competition for talent gets tougher.

- B. Eliminate the "Widows' Tax" (SBP-DIC Offset)** Issue: Under current law, survivors of deceased military members must forfeit part or all of their purchased Survivor Benefit Plan (SBP) annuity when they are awarded the VA's Dependency and Indemnity Compensation (DIC). The loss of any portion of the SBP annuity is known as the widows' tax. For approximately 67,000 military survivors, the widows' tax makes SBP the only insurance product in the country that you pay into but are legally prohibited from collecting. Background: SBP is a voluntary, member-purchased annuity provided by DoD, allowing a continuation of a portion of military retired pay upon the death of the servicemember. According to DoD, the intended purpose of SBP is to "insure that the surviving dependents of military personnel who die in retirement or after becoming eligible for retirement will continue to have a reasonable level of income." Coverage later was expanded to active duty personnel as well. DIC is a VA-paid monetary benefit for eligible survivors whose sponsors died of a service-connected injury or disease. These separate benefits are paid for separate reasons and should not be construed as duplicative compensation. Surviving spouses of

active duty or retired servicemembers who died of a service-connected cause are forced to forfeit \$1 of their military SBP annuity for each \$1 received in DIC. This offset wipes out most or all of the SBP check for a majority of survivors, totaling approximately \$12,000 annually, including those whose servicemembers purchased the plan through deductions from their retired pay. Over the years, Congress has helped a small minority of survivors by:

- raising the lump-sum death gratuity for servicemembers who died after 2001,
- ending the offset for survivors who remarry after age 57, and
- authorizing in FY 2008 the Special Survivor Indemnity Allowance (SSIA), a modest rebate to SBP-DIC recipients subjected to the widows' tax.

However, the lump-sum increases in the death gratuity did not help the 95 percent of survivors whose spouses died of service-caused conditions before 2001. Further, while SSIA serves as evidence of congressional interest and support, it only provides relief for about 25 percent of the widows' tax. Tasked by Congress in 2007 to review the inequity, the Veterans Disability Benefits Commission (VDBC) agreed with MOAA and other veteran organizations that when military service causes a member's death, VA indemnity compensation should be paid in addition to the SBP annuity, not subtracted from it. No other federal annuity is structured with this offset; DIC is not deducted from federal survivor annuities for military veterans in civil service jobs. MOAA's position: Support full repeal of the SBP-DIC offset. If Congress cannot achieve full repeal all at once, they should continue to incrementally increase SSIA above COLA adjustments to help mitigate the overall effect of the widows' tax until full repeal can be achieved. The widows tax affects 67,000 military survivors. **Bottom Line:** Congress must end the widows tax. Cosponsor and pass Rep. Joe Wilson's H.R. 553 and Sen. Doug Jones' S. Bill 622. Urge members of the Armed Services committees to include a "Sense of Congress" to end the widows tax in the FY 2019 Defense Bill.

C. The Truth About What Military Beneficiaries Pay for Their Health Care

Issue: Military members and retirees pay more for their health care than most people think. The narrative that these beneficiaries pay little-to-nothing for health care supports the notion of raising TRICARE fees and copayments to fund readiness and other programs not directly related to health care.

Background: Over the past two decades of the TRICARE program, it was often argued TRICARE fees did not keep up with inflation and adversely impacted DoD; this was true as premiums remained unchanged until 2012. That same year, Congress addressed the stagnant fees by legislating annual premium increases to be tied to the annual cost-of-living adjustment (COLA). DoD and others often have contrasted TRICARE premiums and cost shares with the higher cost shares paid by civilians for their health care. For example, in 1999, for health care coverage, military retirees paid 31 percent less than their civilian

counterpart — comparing premiums for TRICARE Prime against premiums for HMO programs. By 2014, this differential was reduced to only 10 percent.

The Current TRICARE Fee Structure: In addition to COLA-adjusted fee increases, the TRICARE fee structure was radically changed in 2018, impacting all beneficiary categories except TRICARE For Life. These changes included immediate and projected increases to pharmacy costs. (See Figure 1.) Retirees under age 65 were impacted the most. The increases were the result of the Defense Health Agency’s unilateral policy decision to restructure fee tables, which disregarded the intention of grandfathering codified in the FY 2017 NDAA -- the law intended to grandfather current military members, retirees, and their families from additional health care cost-share increases. MOAA’s own survey indicates beneficiaries are very dissatisfied with the costs of their care and their medications.

The Accumulated Impact: According to the Kaiser Family Foundation Employer survey, the typical civilian employee paid about 29 percent of the company’s total premium cost for family coverage in 2018; the employer paid the rest. Premiums for employer-sponsored health plans (i.e., other health insurance, or OHI) vary mostly by the type of coverage, individual or family. OHI premiums and out-of-pocket expenses for the average civilian family and the amount of cost shares (including pharmacy costs) for military retirees under age 65 are now becoming much more closely aligned to civilian costs than they were 5 to 8 years ago — thereby eroding the “premium value associated with service and sacrifice.”

MOAA’s Position: Military beneficiaries, by the nature of their service, past or present, already pay immeasurable premiums for their health care as compared to civilians who have never served. Reducing support for currently serving military and their families, and adjusting retirement benefits after the fact jeopardizes long-term retention and readiness. The government should be doing more to stabilize and improve the TRICARE program rather than disproportionately shift readiness costs onto beneficiaries.

For more: Read MOAA’s TRICARE white paper at www.moaa.org/tricareinfo2019.