

# Welcome to the MOAA Webinar: Legislative Update

The webinar will begin at 2:00 p.m. Eastern Daylight Time (EDT)  
Please submit your **questions** through the **chat function** on your  
screen. We will answer questions at the end.

**Download the slides** from the webinar control panel.

Audio is through computer/phone. Sound turned up? Check your  
computer speaker settings or log out, log back in.

**EVERYONE Registered will receive an email after the session  
with a link to the recorded session, good for 30 days.**

Help us improve our webinars by completing the **short survey at**  
**the end** of the webinar presentation.



# First, a Bit About MOAA

The Military Officers' Association of America (MOAA)

Officers who live our leadership role to support members in uniform, retirees, veterans, and their families—We Never Stop Serving

Non-partisan, Non-profit, Independent  
Chartered to advocate for earned pay and benefits

We are 350,000 members strong

We provide numerous member services and products, scholarship programs, award winning communications, and local chapter involvement

*Pay and Benefits must be fought for...*

*Elected leaders and the DOD aren't protecting your benefits*

***We say what currently serving want to say but can't***



# Your Hosts Today for MOAA's Legislative Update



**Shane Ostrom, CFP®**  
**LtCol, USAF (Ret)**  
Program Director, Transition Center  
Military Officers Association of America



**Paul J. Frost, AFC®**  
**CAPT USN (Ret)**  
Program Director, Transition Center  
Military Officers Association of America





# **Legislative Update on Military and Veterans Benefits**



**To All of You Who...  
are wearing the uniform...  
have worn the uniform...  
supported your Service member...**

**THANK YOU!**

# The Military Coalition

|        |       |           |
|--------|-------|-----------|
| AAAA   | GSW   | NMFA      |
| AFA    | IAVA  | ROA       |
| AFSA   | JWV   | SWAN      |
| AMSUS  | MCA   | TAPS      |
| AMVETS | MCRA  | TIF       |
| AUSA   | MCL   | TREA      |
| AUSN   | MOAA  | USCG CPOA |
| BVA    | MOPH  | USAWOA    |
| COA    | NCOA  | VetsFirst |
| CWOA   | NERA  | VFW       |
| EANGUS | NGAUS | VVA       |
| FRA    |       | WWP       |

**35 Organizations—5.5 million strong**

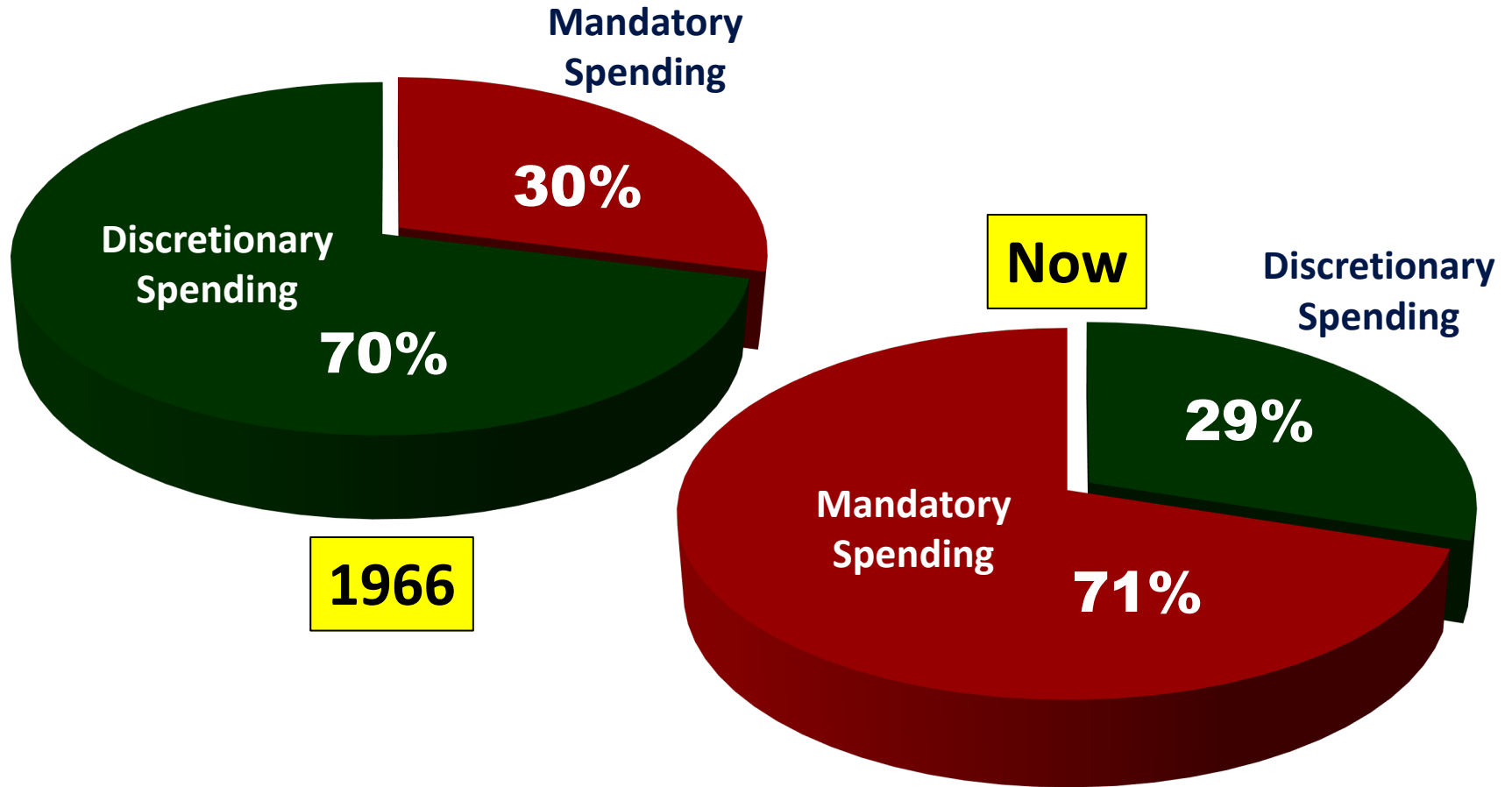




# The Legislative Big Picture



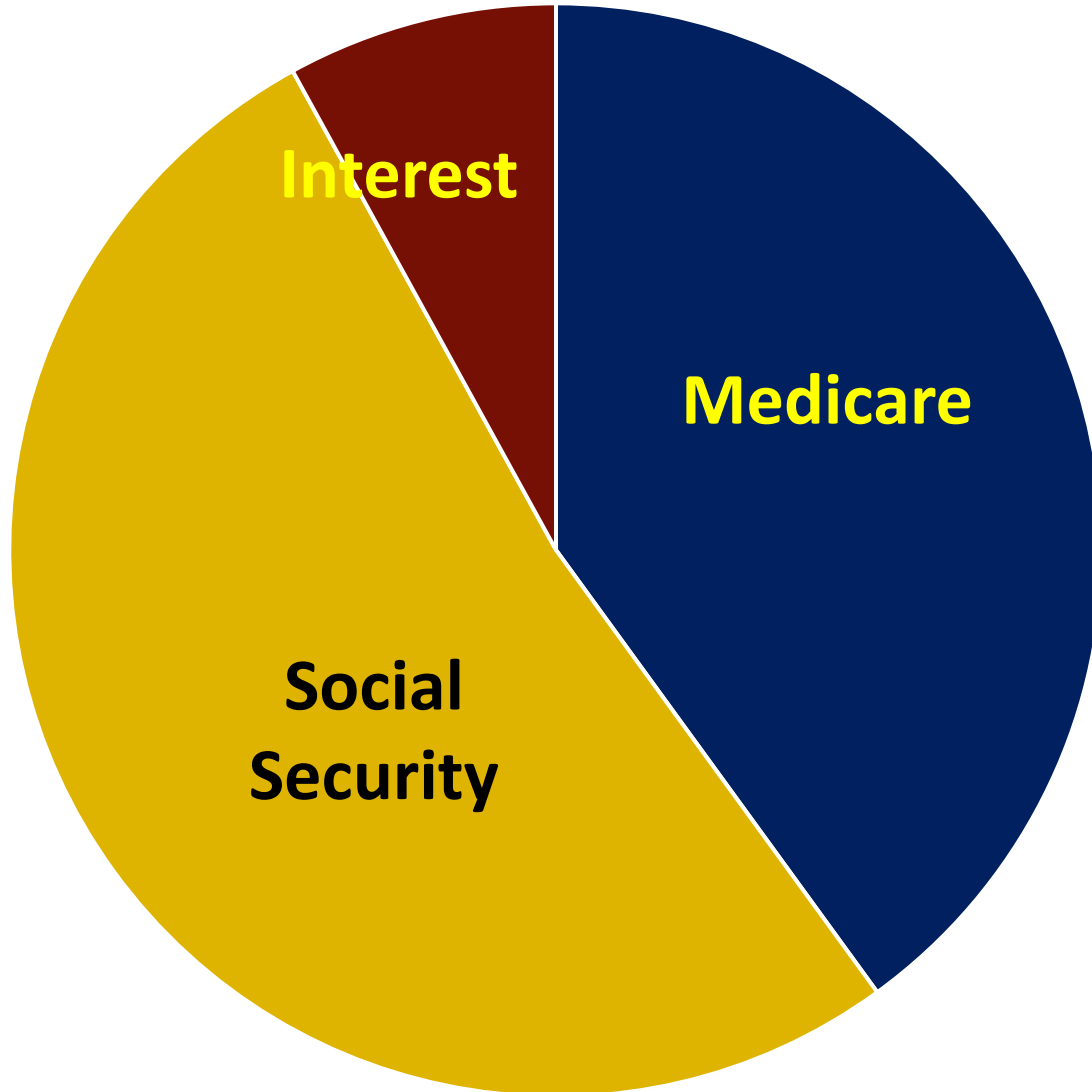
# Where the Fed Money Goes



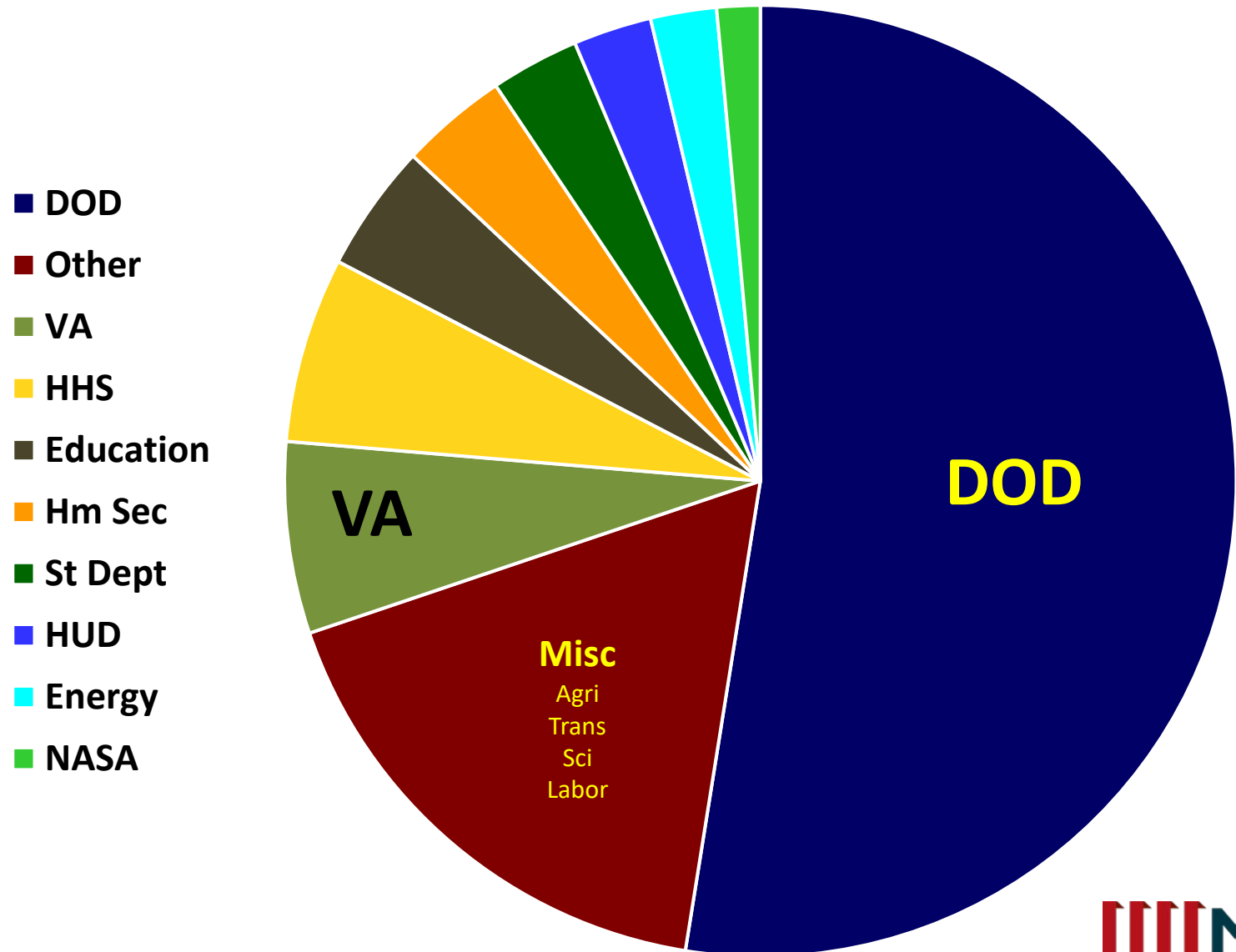
“Discretionary spending now makes up only about a third of the federal budget, with the remaining two-thirds coming from entitlement programs and other “mandatory” spending, according to figures from the **House Budget Committee**. And it wasn't always so. In 1966, those ratios were almost precisely reversed, with entitlement money making up just a third of the budget, committee figures show.” Congressional Quarterly 5Feb16 “Evading the Elephant” Numbers from OMB, @Federal-Budget.insidegov.com and Congressional Research Service, “Mandatory Spending Since 1962.” March 2015.



# Mandatory Spending



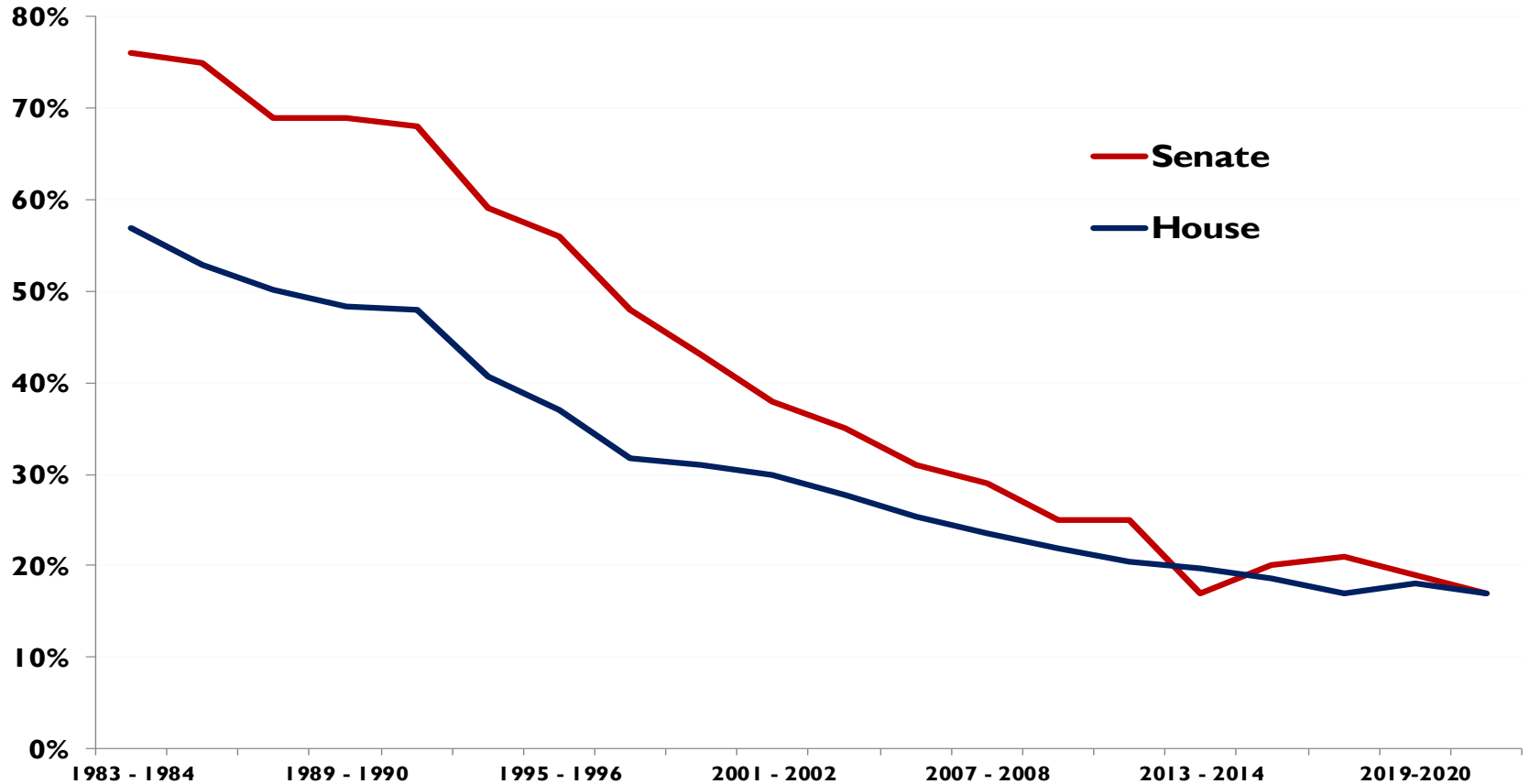
# Discretionary Budget



# The Political Environment

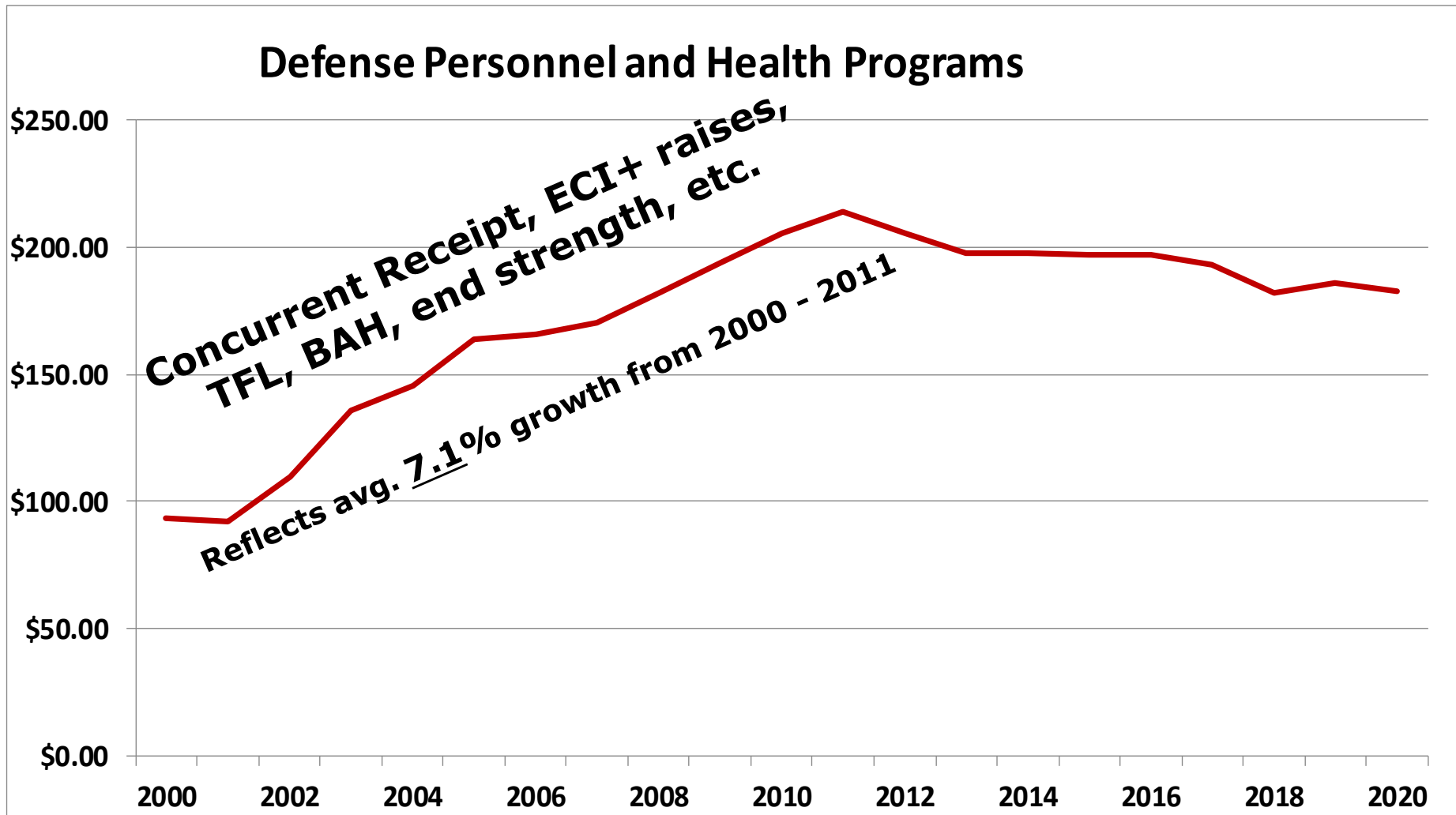
- Trillions spent for virus issues and economy
- Virus management
- Unemployment
- Restarting the economy
- Police reforms
- Social unrest

# Military Experience in Congress



17% for both in 2021

# DOD Personnel-Health Care Expense

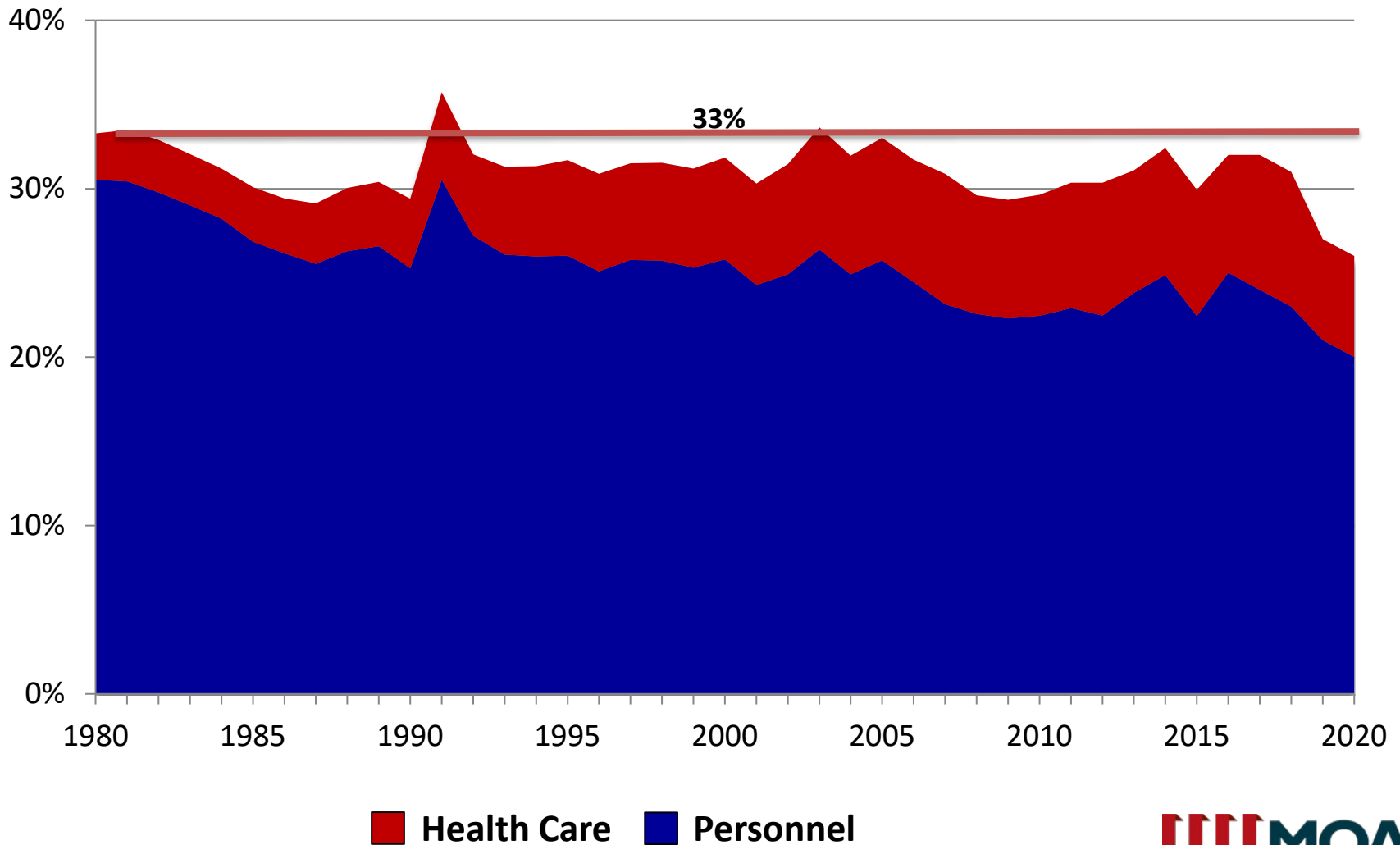


Outlays in \$ Billions  
Source: NDAAs



# Military Personnel Costs Aren't Exploding

Proportion of the defense budget for military personnel and health care costs



■ Health Care ■ Personnel



# **FY 2022 Legislative Priorities**



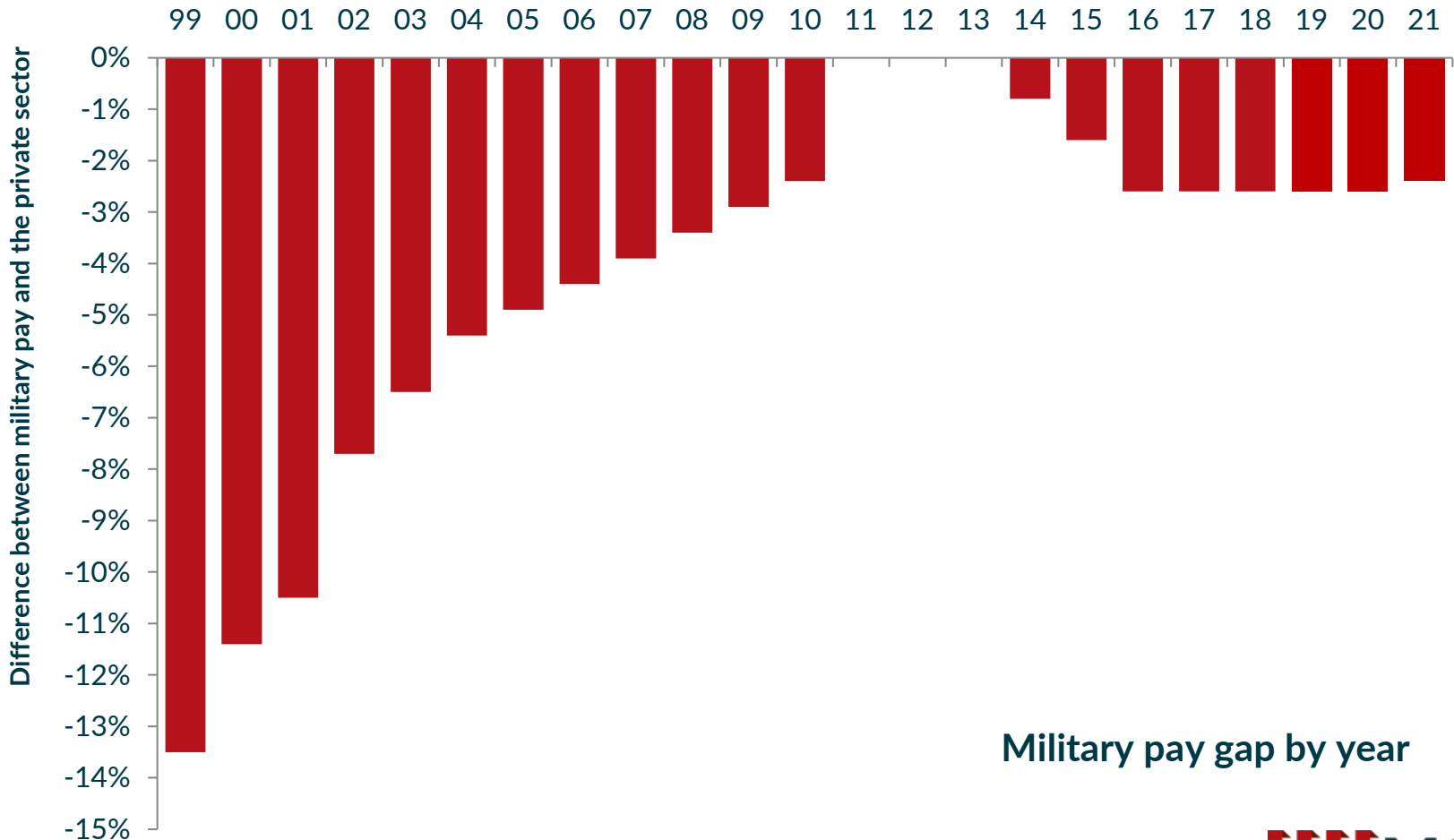
# MOAA's Priorities

- Prevent disproportional Tricare fee increases
- Stop cuts to medical staff that degrade service
- Fix Retired Pay-VA offset for all retirees
- Ensure currently serving pay complies with law
- Protect currently serving housing allowance
- Enhance VA services under MISSION Act
- Protect family programs
- Establish benefits for early Grd/Res retirees
- Eliminate delayed Grd/Res retirement processing
- Continuity of pay and benefits; USCG, USPHS, NOAA



# Military Pay Steady but Behind

After years of hard work by MOAA and Congress to eliminate the 1999 13.5% pay gap, military pay raises once again edged into the negative territory currently projected at a 2.4% gap behind the private sector for 2021.



Military pay gap by year

0% Base line is Employment Cost Index by Bureau of Labor Statistics



# 2022 Legislative Goals

- DIC survivor improvement
  - 55% of veterans disability amount or current rate (\$1358mo), whichever is greater
- Lower DIC remarriage age to 55
  - Currently 56 in order to maintain payments
  - This would follow SBP remarriage age
- Concurrent Receipt, CRDP, for <20yos
  - The MAJ Richard Star Act
- Increase the active-duty death gratuity
  - \$100,000 currently

# 2022 Legislative Goals

- Increase Aid and Attendance (A&A) amounts
  - A VA long term care program
- VA Mission Act actions: more health care options, expanded caregiving programs, etc.
- Hold the line on health care costs
- Continue fight to prevent health care staff cuts
- Reserve/Guard reforms: health care, clear benefits for active time, reform confusing orders

# Defend Against Health Care Benefit Erosion

## Consolidation under Defense Health Agency is a tough balance

- Savings good for us taxpayers
- Not so good for us Service retirees
- MOAA belief and efforts, protect earned benefits and good for the All-Volunteer Force

# MOAA's Legislative Action Center

## takeaction.moaa.org

News & Info

Advocacy

Events

Member Benefits

Resources

About

### Welcome to MOAA's Take Action Center

On behalf of the 350,000 members of the Military Officers Association of America, thank you for supporting our advocacy efforts. It's because of people like you that MOAA is as successful as it is on Capitol Hill. Thank you for being the embodiment of MOAA's commitment to Never Stop Serving.

### Key Bills

#### Federal - HR 5995

A bill to amend title 10, United States Code, to expand eligibility to certain military retirees for concurrent receipt of veterans' disability compensation and retired pay or combat-related special compensation and for other purposes.

#### Federal - HR 413

A bill to amend the Internal Revenue Code of 1986 to allow the work opportunity credit to small businesses which hire individuals who are members of the Ready Reserve or National Guard, and for other purposes.

#### Federal - HR 847

A bill to provide interim appropriations for the Coast Guard Retired Serviceman's Family Protection and Survivor Benefits Plans for each fiscal year after fiscal year 2018, and for other purposes.

PREV

NEXT

### Get Involved on the Local Level

Use MOAA's Chapter Locator to get involved on the local level.

### Find your elected officials

Lookup your elected officials and candidates. Just enter your ZIP code to get started.

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Tweets by @MilitaryOfficer

MOAA @MilitaryOfficer

#DearJoe moaa.org/content/public...



# What's Currently New?



# SBP-DIC Offset Elimination Timeline

- 2020 is for legal interpretation and process development
- 2021-2023 are for phased-in of DIC-offset elimination in SBP
- ★ – No payback of past refunded premiums ★
- Survivors of Currently Serving members who chose “Child” beneficiary rather than face the SBP-DIC offset will be able to change their beneficiary back to “Spouse”

# SBP - DIC Offset - SSIA

## How It “Worked”...

- There is **NO** Social Security Offset
- SBP-DIC Offset explained; offset was dollar-for-dollar:

| SBP and the DIC Offset Examples |          |          |
|---------------------------------|----------|----------|
| SBP →                           | \$1000   | \$2000   |
| DIC offset →                    | - \$1358 | - \$1358 |
| Net SBP →                       | 0        | \$642    |
| SSIA →                          | + \$327  | + \$327  |
| Actual SBP payment →            | \$327    | \$969    |

VA DIC is  
\$1358mo  
tax-free  
for 2021



# SBP-DIC Offset Elimination Process

The DIC offset amount will be phased-out over three years

- Nothing happened in 2020
- DIC offset will be reduced by 1/3<sup>rd</sup> over three years

| 2021               |                |
|--------------------|----------------|
| SBP                | \$1500         |
| DIC offset         | <u>- \$905</u> |
| Net SBP            | \$595          |
| SSIA               | <u>+ \$327</u> |
| Actual SBP payment | \$922          |

| 2022               |                |
|--------------------|----------------|
| SBP                | \$1500         |
| DIC offset         | <u>- \$453</u> |
| Net SBP            | \$1047         |
| SSIA               | <u>+ \$327</u> |
| Actual SBP payment | \$1374         |

| 2023               |              |
|--------------------|--------------|
| SBP                | \$1500       |
| DIC offset         | <u>- \$0</u> |
| Net SBP            | \$1500       |
| SSIA               | <u>+ \$0</u> |
| Actual SBP payment | \$1500       |

# Tricare Select Changes

## Jan 1, 2021, “Select” new annual enrollment fee

- \$150 individual; \$300 family
  - Not for med retirees, currently serving, survivors of active duty or medical retirees
- COLA applies to enroll fee in future years
- Deductibles still apply at current rates (\$150/\$300)
- **SBP payments do not qualify for allotment**

## Select Catastrophic Cap increased to \$3500

- Retirees only
- COLA in future years
- Currently serving remains \$1000

# TRICARE Changes

## Open Season—Annual enrollment at end of year

- Tricare “Prime” and “Select” Only\*
- Automatic rollover if no change
- Must make changes during the Open Season
- Open Season held in Nov – Dec
  - Nov 8 to Dec 13 2021 for changes Jan 1, 2022
- “Qualifying Life Event” changes allowed any time

\*Tricare Open Season **doesn't apply to TRICARE For Life, TRICARE Young Adult, TRICARE Reserve Select, TRICARE Retired Reserve, or the Continued Health Care Benefit Program.**



# Tricare for Life

## What About Tricare for Life?...

- **Nothing happened!—a very good thing**
  - Only Tricare changes are in “Prime” and “Select”
- **No discussion of Tricare for Life fee**
- **Nothing is on the horizon—at this point**
  - We remain vigilant

# Pharmacy Increases

## Phased Increases Over 10 Years

|                               | 2019 Rate   | FY 2021 Rate | FY 2027 Proposed Rate | Annual % Increase 2019-20 |
|-------------------------------|-------------|--------------|-----------------------|---------------------------|
| <b>MTF Pharmacy (90-days)</b> | <b>0</b>    | <b>0</b>     | <b>0</b>              | <b>0%</b>                 |
| <b>Retail (30-days)</b>       |             |              |                       |                           |
| <b>Generic</b>                | <b>\$11</b> | <b>\$13</b>  | <b>\$16</b>           | <b>18%</b>                |
| <b>Brand</b>                  | <b>\$28</b> | <b>\$33</b>  | <b>\$48</b>           | <b>18%</b>                |
| <b>Non-Formulary</b>          | <b>\$53</b> | <b>\$60</b>  | <b>\$85</b>           | <b>13%</b>                |
| <b>Mail Order (90-days)</b>   |             |              |                       |                           |
| <b>Generic</b>                | <b>\$7</b>  | <b>\$10</b>  | <b>\$14</b>           | <b>43%</b>                |
| <b>Brand</b>                  | <b>\$24</b> | <b>\$29</b>  | <b>\$44</b>           | <b>21%</b>                |
| <b>Non-Formulary</b>          | <b>\$53</b> | <b>\$60</b>  | <b>\$85</b>           | <b>13%</b>                |

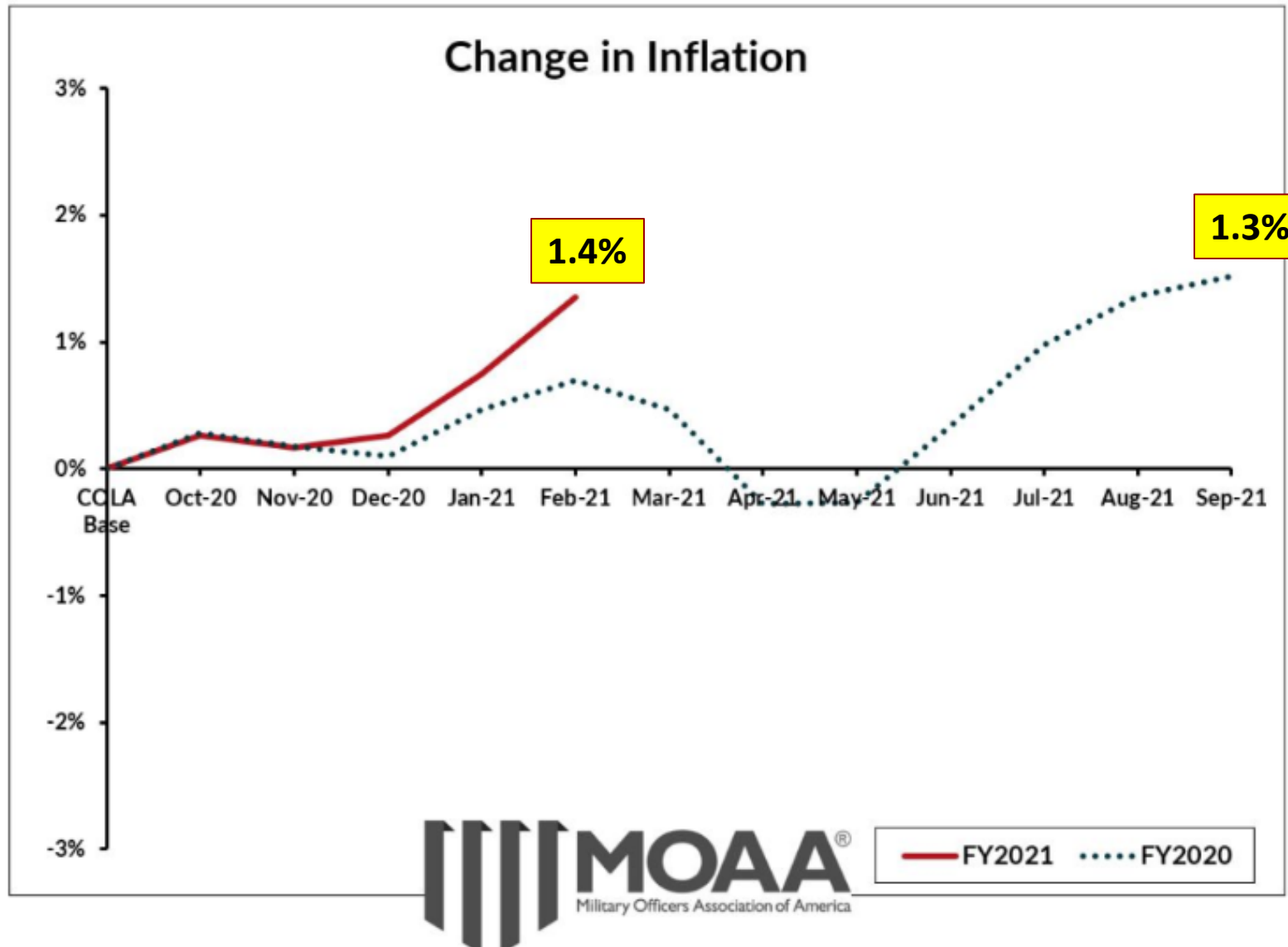
# VA Issues

- **2021 NDAA added 3 new Agent Orange Presumptive**
  - Bladder Cancer, Hypothyroidism, Parkinsonism
- **The Fair Care for Vietnam Veterans Act of 2021**
  - Adds Hypertension and Monoclonal Gammopathy of Undetermined Significance (MGUS)
- **VA COVID vaccines eligible to **all** veterans, spouses and caregivers as supplies become available**
  - Still only vaccinating veterans enrolled in VHA and enrolled primary/secondary caregivers
- **Toxic Exposure - *The Veterans Burn Pits Exposure Recognition Act***

# Arlington National Cemetery

- Federal Registry comment period ended
- Legal review ongoing
- Many MOAA members reacted to our CTA
  - Highlighted new rules were discriminatory by service, specialty and gender
- SECDEF “released” the old advisory council for ANC
- Expected to appoint a new advisory council
- Bottom line – current rules remain in effect

# COLA Watch





# 2021 MOAA CALENDAR

**How to Seek, Find and Obtain Remote Work with FLEXJOBS – April 13 2PM to 3PM**

**Transition Tips From an Executive Corporate Recruiter – April 28 2PM to 3PM**

**MOAA Seminar: Maximize your Overall Compensation Package – April 6 2PM to 3PM**

**MOAA's Military Executive Transition Seminar – May 20 10AM to 5PM**

Details at [www.moaa.org/transitionevents](http://www.moaa.org/transitionevents)



# **Military Officers Association of America**

# **WWW.MOAA.ORG**

**Please contact your elected representatives**  
**Strength comes in numbers**  
**Your single voice does matter**

# **Join MOAA at MOAA.org**

