



AFSA International Legislative Committee Bulletin 2012-005  
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**1. The President's Nonbinding Budget Plan.** As AFSA Headquarters so comprehensively reported, the President's budget plan for 2013 is nonbinding, and its details would have to be approved by Congress. That's where you and your association come in: indicating right away to your elected officials where you stand on these proposed changes and following the lead of CEO Doc McCauslin and his legislative team in Washington. This is very important, and time is of the essence, because the House and Senate Armed Services Committees have already begun hearings on the FY 2013 National Defense Authorization Act. Your input now could determine how Congress acts on the President's proposals. As the February 16 *AFSA On Call* reported:

**FY 2013 Budget Released; DoD Funding Cut As Expected**

President Obama's \$3.8 trillion, FY 2013 budget proposal was delivered to Congress on Monday. The request for the Department of Defense (DoD) includes \$525.4 billion in discretionary budget authority to fund base defense programs and \$88.5 billion to support Overseas Contingency Operations (OCO), primarily in Afghanistan. The total, \$613.9 billion, is about \$33 billion less than the current year's budget. It allows a military pay raise of 1.7 percent; will increase the basic housing allowance by 4.2 percent and basic allowance for subsistence by 3.4 percent; and provide \$8.5 billion for family support programs. According to the budget documents we reviewed, increases in pays and allowances will keep pace with expected increases in private-sector compensation for the next couple of years. But in FY 2015 and beyond, basic pay raises will be held down in an effort to slow the growth in compensation costs.

The Air Force portion is \$154.3 billion, a reduction of nearly five percent as compared to the \$162.5 billion the service received in FY 2012. As previously reported the department has plans in place to eliminate nearly 300 aircraft and reduce overall personnel end strength by 9,900 Airmen in the coming years. In addition to higher pay and allowances, the Air Force budgeted more than \$700 million for family programs including child development centers, and the family housing budget was increased by \$93 million to meet a service goal of 53,000 privatized housing units by the end of the next fiscal year.

Other provisions in DoD's proposed budget *will increase TRICARE premiums and fees, direct a review of military compensation and retired pay and call for more base realignment*

*and closure rounds.* We cover them briefly below and will provide more details on these and other budget-related items in future AFSA publications.

### **Higher TRICARE Fees**

As reported in yesterday's AFSA Alert, the President budget calls for higher TRICARE copays and fees including some new ones. Annual enrollment premiums will increase for TRICARE Prime users and the new rates will be tied to their military retirement income. Following a four-year "ramp-up" period, future increases will be tied to a medical inflation index, like the National Health Expenditures (NHE) formula. Under this plan, TRICARE Prime enrollment fees for some retirees would rise as high as \$820 beginning October 1 of this year and climb to as much as \$2,048 within five years.

Beginning this fall, TRICARE Standard and Extra users would begin paying a flat rate of \$140 for families and be subjected to higher deductibles (Individuals will pay half the family rate). Enrollment fees and deductibles for families would rise to \$250 and \$580, respectively within 5 years but these amounts will not be tied to retirement income. Like TRICARE Prime, future increase in FY 2018 and beyond would be tied to the NHE or another health related inflation index.

The Administration is also proposing to implement an annual enrollment fee for TRICARE for Life coverage ranging from \$35 to \$115 using the same tiering and indexing as TRICARE Prime. The new fee applies to *each* individual in the program and may climb to \$475 per year within 5 years for some individuals. *Military retirees on Medicare Part B, beware!*

Pharmacy copays for brand-name medications obtained through retail and mail-order would more than double under the President's plan—from \$12 to \$26 beginning October 1. Copays for non-formulary medications that currently cost \$25 would more than double, to \$51, and their availability would be mostly restricted to Home Delivery. Provisions for limited retail access will however be made for medications deemed "medically necessary." Copays for brand name and non-formulary medications will increase to \$34 and \$66, respectively, within 5 years.

Last, but not least, the annual Catastrophic Cap of \$3,000 will be indexed to the NHE though it is unclear if this change will occur in FY 2013 or sometime thereafter. Additionally, annual enrollment fees would no longer apply to the catastrophic cap raising out-of-pocket costs to retirees even higher.

**2. Great Sources to Support Your Legislative Efforts.** If you want to follow legislation and the efforts needed to support our association's mission, we strongly suggest that AFSA members go to the AFSA Web site at <http://www.hqafsa.org> and sign up for automatic e-mail receipt of each issue of *AFSA On Call*.

If you need clarification on legislative issues, contact AFSA's directorate of Military and Government Relations at 1-800-638-0594. Director Morgan Brown has worked Capitol Hill for many years and is very knowledgeable on the issues that matter most to us.

Also, our Chairman of the AFSA International Legislative Committee (and Trustee for Retiree and Veterans Affairs), Dale Nelson, periodically publishes a very fine, comprehensive *Air Force Sergeants Association Capitol Hill News & Information and Retired & Veterans Affairs Newsletter* which is very informative. Those wanting to get on e-mail distribution for this product should contact Dale at [dalen57@msn.com](mailto:dalen57@msn.com)

Finally, those wanting to go directly to the source to monitor the daily actions of Congress, introduced legislation, etc., may do so at <http://thomas.loc.gov>

### **3. Public Law Numbers or Key Legislation.**

- H.R. 1540, the FY 2012 National Defense Authorization Act, which was signed on December 31, 2011, has been designated as Public Law 112-81.
- H.R. 2055, the FY 2012 Military Construction and Department of Veterans Affairs Appropriations Bill, signed December 23, 2011, is Public Law 112-74.
- H.R. 1801, to provide for expedited security screenings for members of the Armed Forces, signed January 3, 2012, is now Public Law 112-86.

You will note that any public law signed during the 112<sup>th</sup> Congress is designated with that number and a dash. The remaining numbers reflect a one-up numbering of the laws in the order they are signed by the President.

**4. Stolen Valor Act.** A *McClatchy* report says that tomorrow, the U.S. Supreme Court will hear arguments on the validity of the Stolen Valor Act which would allow federal prosecution for those falsely claiming to have received military honors in the form of medals or decorations. Specifically, the Court will focus on a California man who falsely claimed to have received the Medal of Honor. The question is whether or not such lies are protected speech under the First Amendment. The Stolen Valor Act was passed in 2006 and can impose prison sentences of up to six months for those who falsely represent they have received any military decoration or medal. Lying about certain higher-level medals can result in a year in prison. The 9<sup>th</sup> U.S. Circuit Court of Appeals which covers California, Washington, and Idaho say the law is invalid. Other courts have upheld the law. To read more about the issue and about this specific case in California, go to:

<http://www.mydesert.com/article/20120221/NEWS11/202210314/Supreme-Court-takes-Stolen-Valor-case?odyssey=tab%7Ctopnews%7Ctext%7Cfrontpage>

**5. VA Trying New Therapy for Obstructive Sleep Apnea.** According to a recent *MarketWatch* article, the Department of Veterans Affairs has granted a multi-year contract to expand access to "Provent Sleep Apnea Therapy, a small non-invasive nasal device for the treatment of obstructive sleep apnea (OSA). . . . It is estimated that more than four million

U.S. veterans suffer from OSA. . . People with OSA stop breathing multiple times each hour during sleep, often for ten seconds or longer. They frequently don't recognize the symptoms, but their bed partner complains of loud snoring and long pauses in breathing. . . OSA is associated with serious medical conditions including high blood pressure, irregular heartbeat, heart attack, stroke and diabetes, as well as an increased risk of motor vehicle accidents due to sleep deprivation. People with moderate to severe OSA are almost five times as likely to suffer from heart disease, and have up to 10 times as many motor vehicle accidents compared with people who don't have OSA. . .” To read more about this therapy, go to:

<http://www.marketwatch.com/story/new-treatment-can-help-veterans-with-obstructive-sleep-apnea-2012-01-23>

**6. The USFSPA in Action.** One of AFSA’s legislative goals is to repeal or, at least, to significantly reform the Uniformed Services Former Spouses Protection Act, which treats military retirement pay as property in the divorces of those who have served in the military. An example of this law in action is the case of *Toles v. Toles* in the state of Kentucky which can be found at:

<http://www.leagle.com/xmlResult.aspx?xmlDoc=In%20KYCO%2020120217282.xml&docbase=CSLWAR3-2007-CURR>

If you support AFSA’s effort on this law, it is important that you send a strong message to your elected officials. If those affected *and those potentially affected* did so, it would promote AFSA’s efforts.

## **7. Bills of Interest Introduced Since Last Bulletin.**

**H.R. 3863** by Rep. Ron Kind, D-Wisc., and **S. 2060** by Sen. Herb Kohl, D-Wisc., would provide for the payment of a benefit to members eligible for participation in the Post-Deployment/Mobilization Respite Absence program for days of nonparticipation due to Government error.

**H.R. 3895** by Rep. Jeff Miller, R-Fla., and **S. 2128** by Sen. Jon Tester, D-Mont., would amend the Balanced Budget and Emergency Deficit Control Act of 1985 to clarify that all veterans programs are exempt from sequestration.

**H.R. 3904** by Rep. Denny Rehberg, R-Mont., would modify the commencement date of the active force drawdown period used for the reimplementation of the temporary early retirement authority granted to the Secretary of Defense as an additional force management tool with which to effect the drawdown of military forces.

**S. 2112** by Sen. Mark Begich, D-Alaska, would authorize space-available travel on military aircraft for members of the reserve components, a member or former member of a reserve component who is eligible for retired pay but for age, widows and widowers of retired members, and dependents.

**H.R. 4057** by Rep. Gus M. Bilirakis, R-Fla., would direct the Secretary of Veterans Affairs to develop a comprehensive policy to improve outreach and transparency to veterans and members of the Armed Forces through the provision of information on institutions of higher learning.

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