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APR 29 2019

From: Gregory J. Slavonic, Assistant Secretary of the Navy (Manpower and Reserve Affairs)

To: Co-Chairs, Secretary of the Navy Retiree Council (SNRC)

Subj: SECRETARIAT RESPONSE TO THE 2018 SECRETARY OF THE NAVY RETIREE COUNCIL (SNRC) REPORT

Ref: (a) SECNAVINST 5420.169K

(b) 2018 Secretary of the Navy Retiree Council Report, dated August 31, 2018

1. The Secretary of the Navy's Retiree Council (hereafter referred to as "the Council") met at the Washington Navy Yard on August 20-23, 2018, pursuant to reference (a). I have reviewed reference (b) and am pleased to provide the following responses and actions regarding each issue.

2. Issue 2018-01: TRICARE Reform

a. Council's Issue Description: In 2017, major reforms were made to the TRICARE program, which took effect on January 1, 2018. The Council reported on these issues at the annual Council meeting in 2018 and included TRICARE reform as an "issue in progress." In 2018, the Council maintained concerns about TRICARE fees, access and quality.

b. Council's Proposed Solution/Recommendation: In reference (b), the Council recommended to the Department of the Navy (DON):

"(1) Defense Health Agency continue to address TRICARE administrative issues."

"(2) Fees for 'specialty outpatient clinics' be reduced to previous levels until a study can be done to examine the cost-effectiveness of these therapies, then set pricing appropriately."

"(3) Oppose any increase in fees to TRICARE beneficiaries unless tied to offset expenses within the Military Health System."

"(4) Oppose any increase in out of network fees until there is adequate number of providers in network for all beneficiaries within the TRICARE system. After capacity is deemed adequate; actuarial evaluation of copays and fees should be evaluated."

"(5) Tricare fees and premiums continue to be tied to COLA, which is consistent with the law governing Medicare premium increases of Social Security beneficiaries, event after 2021."

c. Secretariat Response: Both the Navy and Marine Corps agree with the concept of minimizing TRICARE fee increases for retirees, although all health related costs affecting retirees and their beneficiaries fall under the purview of the Defense Health Agency (DHA), under the authority of the Office of the Secretary of Defense (OSD). Regardless, as noted in reference (b), the FY2019 National Defense Authorization Act (NDAA) did not include

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proposed TRICARE fee increases, and the Council acknowledges DHA is actively addressing higher copays and fees. Any increases in TRICARE fees remain tied to the Cost of Living Allowance (COLA). In addition, various retiree advocate groups continue to advocate on behalf of retirees and their beneficiaries to ensure DHA understands the impacts of fee increases on beneficiaries, especially those who require specialty care such as physical therapy or mental health care.

<p><i>(1) Defense Health Agency continues to address TRICARE administrative issues.</i></p>	<p>As noted in reference (b), DHA is actively addressing administrative issues to include higher copays and fees, and retiree advocate groups are also maintaining communication with DHA to highlight the various impacts of these administrative issues.</p>
<p><i>(2) Fees for "specialty outpatient clinics" be reduced to previous levels until a study can be done to examine the cost-effectiveness of these therapies, then set pricing appropriately.</i></p>	<p>Effective January 1, 2018, the TRICARE fee structure changed; those who enter military service after January 1, 2018 (Group B), will pay much higher enrollment fees. In October 2018, specialty appointments and primary care appointment fees were formally established (i.e. TRICARE Group A and Group B Retirees will pay \$41 for specialty appointments and \$29 for primary care appointments). These fees remained the same for 2019. Although DON believes in the concept of minimizing fees and costs for retirees and their beneficiaries, fee structures fall under the purview of the DHA, under the authority of OSD.</p>
<p><i>(3) Oppose any increase in fees to TRICARE beneficiaries unless tied to offset expenses within the Military Health System.</i></p>	<p>In 2019, most TRICARE Prime and Select fees did not increase, and the few that did were adjusted based on retiree COLA (2.8%). TRICARE for Life was not affected. Although fee structures fall under the purview of DHA, various retiree advocate organizations continue to advocate on behalf of retirees to minimize future fee increases.</p>
<p><i>(4) Oppose any increase in out of network fees until there is adequate number of providers in network for all beneficiaries within the TRICARE system. After capacity is deemed adequate; actuarial evaluation of copays and fees should be evaluated.</i></p>	<p>Although DON agrees in spirit with minimizing fees for retirees and ensuring there are adequate network providers in the network for all beneficiaries, the responsibility for fee structures and network provider staffing will continue to fall under the purview of DHA.</p>

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<p><i>(5) Tricare fees and premiums continue to be tied to COLA, which is consistent with the law governing Medicare premium increases of Social Security beneficiaries, event after 2021.</i></p>	<p>In 2019, the few fee increases were adjusted based on retiree COLA (2.8%). Although future fee and premium increases may be tied to COLA, the DHA will provide ultimate authority and direction for fees and fee structures.</p>
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3. Issue 2018-02: Mental Health Care and Suicide Risk

a. Council's Issue Description: Veterans are at significantly greater risk for suicide than the general populace. According to Dr. Wendy Tenhula, PhD, Deputy Chief Consultant for Specialty Mental Health VA, Veterans face increased risk of suicide over the age of 50; this impact is compounded by retirement. Retirees represent an undetermined subset of veterans at risk for suicide. There is a need to provide increased quality mental health services and make those services readily available to veterans and retirees.

b. Council's Proposed Solution/Recommendation: In reference (b), the Council recommended that the Department of the Navy (DON):

"(1) Monitor and support the Joint Action Plan."

"(2) Encourage VA/TRICARE (Humana & HealthNet) to conduct predictive analysis of retirees for suicide tendencies in order to conduct reach out prevention and/or possible handoff to VA."

"(3) Capture population-level data on mental health care need and suicide data on USN and USMC retirees and families."

c. Secretariat Response: On January 9, 2018 Executive Order (EO) 13822 formally established the requirement for a Joint Action Plan by the Secretary of Defense, Secretary of Veterans Affairs, and Secretary of Homeland Security that describe actions to provide seamless access to mental health treatment and suicide prevention resources for transitioning uniform Servicemembers in the year following discharge, separation or retirement. This Joint Action Plan was formally updated in April 2018. The plan states "while the ultimate goal remains zero suicides, this Plan seeks systematic reductions in the number of Veteran suicides with progress measured by year-after-year reductions to zero." There are three primary goals in the Plan:

1) Improve actions to ensure all transitioning Service members are aware of and have access to mental health services;

2) Improve actions to ensure the needs of at risk Veterans are identified and met;

3) Improve mental health and suicide prevention services for individuals that have been identified (indicated populations) in need of care. The Joint Action Plan falls under the purview

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of the DoD/VA Collaboration Office (DCVO) as part of their key initiative of suicide prevention. DON will continue to respond to any DCVO requests in order to fulfill the intent of the Joint Action Plan.

<p><i>(1) Monitor and support the Joint Action Plan.</i></p>	<p>The Joint Action Plan falls under the purview of the DCVO as part of their key initiative of suicide prevention. DON will continue to respond to any DCVO requests in order to fulfill the intent of the Joint Action Plan.</p>
<p><i>(2) Encourage VA/TRICARE (Humana & HealthNet) to conduct predictive analysis of retirees for suicide tendencies in order to conduct reach out prevention and/or possible handoff to VA.</i></p>	<p>Predictive analysis falls under Joint Action Plan Goal 2 and aims to “develop and implement a proof of concept initiative that builds the necessary data streams and infrastructure to support advanced analytics in a single predictive model that serves Service members and Veterans.” The Plan calls for an interagency analytical platform that can adequately support development of a single predictive model by April 2019. DON will continue to work with the DCVO and respond to any data requests as the analytical platform is developed.</p>
<p><i>(3) Capture population-level data on mental health care need and suicide data on USN and USMC retirees and families.</i></p>	<p>As part of the development of the interagency analytical platform and a single predictive model to identify transitioning veterans and retirees at risk for suicide, the DCVO will determine data requirements for each of the Services. DON will respond to any DCVO data requests and will work collaboratively to ensure DON related data is accurate for model usage.</p>

4. Issue 2018-03: Treatment/Compensation for Exposure to Agent Orange to the Blue Water Navy

a. Council's Issue Description: Approximately 90,000 former service members (including retirees) who served for extended periods in the coastal waters off of Vietnam are not receiving compensation for symptoms related to exposure to Agent Orange. An average of 13 members die every day. In late June 2018, the House unanimously passed H.R. 299 “The Blue Water Navy Vietnam Veterans Act.” The VA policy is to require an offset to pay for this bill. The VA proposed paying for the provisions of this bill by increasing the cost that some veterans must pay to access their (home loan) benefits. Some have taken the position that opening Agent Orange

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benefits to thousands more veterans would stunt ongoing efforts to reduce the backlog of compensation claims on appeal, adding time and cost to the VA claims processes.

b. Council's Proposed Solution/Recommendation: In reference (b), the Council recommended that the Department of the Navy (DON):

"(1) If legislation passes, SECNAV serve as advocate in assisting identification of all affected service members, to include making all relevant documents available."

"(2) SECNAV Support ongoing longitudinal studies into the effects of exposure to Agent Orange."

c. Secretariat Response: The DON firmly believes all veterans and retirees who feel they have Service related disabilities or medical concerns should seek out support from the Department of Veterans Affairs (VA) via existing VA and Veterans Service Organization (VSO) channels. The DON understands the ongoing issues of Blue Water Navy retirees claiming exposure to Agent Orange. The VA is responsible for determining disability eligibility criteria based on service related activities; however, Congress has played an active role in this issue. Although H.R. 299 (Blue Water Navy Vietnam Veterans Act of 2017) unanimously passed in the House of Representatives in June 2018, the Senate did not take up the measure. Any further Congressional action will have to be addressed by the 116th United States Congress. The VA maintains responsibility for performing empirical studies on service related disability issues and is currently conducting a study comparing the health of deployed Vietnam War veterans, including Blue Water Navy veterans, to others of similar age who were not deployed. The VA estimates a late 2019 completion date. The DON will continue to respond to any requests from the DCVO related to data collection on this ongoing issue. In January 2019, the U.S. Court of Appeals for the Federal Circuit reversed a decades-old ruling potentially paving the way for the return of disability benefits for Blue Water Navy veterans. In March 2019, the VA formally decided to not appeal this decision to the U.S. Supreme Court and the Secretary of Veterans Affairs testified in Congress the VA is starting to service Blue Water Navy veterans.

(1) If legislation passes, SECNAV serve as advocate in assisting identification of all affected service members, to include making all relevant documents available.

Although H.R. 299 unanimously passed in the House of Representatives in June 2018, the Senate did not take up the measure, and now any further congressional legislation related to Blue Water Navy Agent Orange exposure will have to be addressed in the 116th United States Congress. Regardless, as a result of the January 2019 decision from the U.S. Court of Appeals for the Federal circuit, and the VA formally deciding against appealing the ruling, VA is now starting to service Blue Water Navy Veterans. SECNAV will respond to all VA requests on Blue Water Veterans issues.

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<p><i>(2) SECNAV Support ongoing longitudinal studies into the effects of exposure to Agent Orange.</i></p>	<p>The VA maintains responsibility for conducting studies into the effects of Agent Orange exposure. Data requests for Navy and Marine Corps related data will come from the VA via the DCVO, and the DON will respond appropriately.</p>
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5. Issue 2018-04: Pre-Separation DD-214s

a. Council's Issue Description: Active duty service members preparing to retire cannot compete for non-federal civil service employment in some states due to the lack of a DD-214.

b. Council's Proposed Solution/Recommendation: In reference (b), the Council recommended that the Department of the Navy (DON):

"(1) Educate commands about the existence and implementation of the pre-separation issuance provision and include pre-separation DD-214 authority in transition courses."

"(2) Retired Activities Offices (RAOs) and command Transition Assistance Coordinators assist in the education process."

c. Secretariat Response: The DON understands the importance of a DD-214 for many forms of post-military service employment. DoDI 1336.01 (Certificate of Release or Discharge from Active Duty (DD Form 214/5 Series) governs the policies and procedures for the preparation and distribution of DD-214s, and tasks the services with issuing instructions and procedures for their respective personnel. The services currently provide DD-214s (a) on the effective date of separation; or (b) on the date authorized travel time commences. The most common method of receiving a pre-separation DD-214 is at the commencement of terminal leave.

<p><i>(1) Educate commands about the existence and implementation of the pre-separation issuance provision and include pre-separation DD-214 authority in transition courses.</i></p>	<p>The DON will continue to advocate for units and commanders to educate their personnel on all facets of transition activities, to include pre-separation DD-214s. The services already maintain pre-separation authority to issue DD-214s, which typically occurs at the start of terminal leave.</p>
<p><i>(2) Retired Activities Offices (RAOs) and command Transition Assistance Coordinators assist in the education process.</i></p>	<p>Concur.</p>

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6. Issue 2018-05: Creation of DD Form and Instruction for Discharge/Retirement of SELRES Members

a. Council's Issue Description: There is no form that provides National Guard or DoD Reserve forces a one-point-of-information accounting of their service upon retirement.

b. Council's Proposed Solution/Recommendation: In reference (b), the Council recommended that the Department of the Navy (DON):

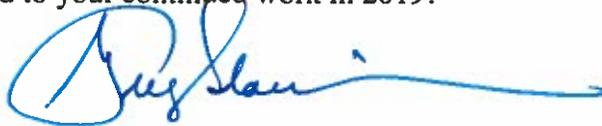
“(1) Coordinate with OSD to permit the issuance of a DD-214 to a Selected Reservist at the time of retirement”

c. Secretariat Response: The DON understands the concerns of Selected Reservists (SELRES) who desire to have an official form to display SELRES related service, much like a DD-214, and not simply an Annual Retirement Point Record/Annual Statement of Service History (ARPR/ASOSH) report. This matter has also generated some Congressional interest and DoD is currently looking into the possibilities of a capstone separation document for Guard and Reserve personnel. The DoD is also developing a proposal to re-design and simplify the current National Guard and Reserve Duty Status construct, which currently comprises 27 Reserve Component duty statuses and more than 450 provisions in statute. The DoD believes because of the exclusive focus on a subset of all duty performed by the Guard and Reserve, the current DD-214 may not be the most appropriate document to highlight Guard and Reserve service. The DoD is continuing to study alternative approaches to accurately report on SELRES service. The DON will continue to work with the DoD to review these alternatives and potentially make recommendations to Service-wide policy.

<p><i>(1)) Coordinate with OSD to permit the issuance of a DD-214 to a Selected Reservist at the time of retirement</i></p>	<p>Due to the various nuances in accounting for Guard and Reserve service, the DoD does not believe the current DD-214 may be the most appropriate document to highlight such service. DoD continues to explore alternative forms to properly document Guard and Reserve service, and DON will continue to work with DoD on this matter.</p>
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7. Please convey my thanks to the entire Council for the ongoing diligence pursuing issues of significant impact to our retired Sailors and Marines and their families. I ask that you continue this important mission and bring to my attention those issues most pressing for retirees. I welcome further discussion and look forward to your continued work in 2019!



Gregory J. Slavonic

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