



## TREA WASHINGTON UPDATE FOR JANUARY 8, 2009

Happy New Year. Let's hope that 2010 is better for all of us. Although Congress is not officially back in session there is lots of maneuvering behind the scenes (and indeed in front of the cameras). And the 2 immediate big issues are what they were last year: the health care reform bill and the economy.

[1\) The Next Phase of the Health Care Reform Begins](#)

[2\) And What Does All This Mean For Medicare and TRICARE For Life \(TFL\)?](#)

[3\) VA Postpones Scheduled Drug Copayment Increase](#)

[4\) 60 Minutes Looked At VA's Disability Claims Adjudication/Secretary Shinseki Responds](#)

[5\) Filing Time For WWII Filipino Vet Benefits Coming To An End](#)

\*\*\*\*\*

**1) The Next Phase of the Health Care Reform Begins**-As soon as the New Year rang in the Congressional Democratic leadership came back to start the next phase of federal health care reform. On Christmas Eve the Senate passed its version: **HR3590**. It is very different from the House of Representative's version **HR3962** which was passed on November 7, 2009. It is completely clear now that leadership **does not** intend to have Conferees work on settling the many differences of the 2 bills. Instead the Democratic Leadership in the House and the Senate are negotiating the differences among themselves and the White House- sending the bills back and forth between the two Houses. (The Ping-Pong method we wrote about last month.) Even though the House of Representatives formally starts its session on January 12, and the Senate on January 18, negotiations have already started. On Wednesday, Speaker of the House Nancy Pelosi said after leaving a meeting in the White House: "The House and Senate plan to put together the final health care reform bill behind closed doors according to an agreement by top Democrats." This keeps the Republicans out of the negotiations as well as Blue Dog Democrats and other unhappy Democrats (like those concerned about abortion funding and other issues.) It also keeps all of us from knowing exactly what is going on. President Obama's proposal during the Presidential Campaign was to have the Conference be broadcast on C-SPAN. The President of C-SPAN, Brian Lamb wrote asking that they be allowed to broadcast the negotiations, but no luck. The idea is dead (if it ever was alive). But what we do know is that negotiations are already going hot and heavy.

### **What does this mean to Military Retirees and TRICARE and VA Healthcare?-**

That, like everything else is still up in the air. It is reported (and may even be true) that the House Leadership (read Mrs. Pelosi) is strongly opposed to the Senate's tax on "Cadillac health care plans" and wants higher taxes on the wealthy to be used to pay for this bill. It is also reported that the White House is saying that they want the Cadillac Plan tax in the final bill. We will see. As of December 24, TRICARE and VA health care

was not included in the Senate's version of the Health Care plan either directly or as a source of tax funding . The referenced plans (found in the IRS Code) are not government plans. That is good. However, when writing this provision the Senate included FEHBP (which is surely a government plan) with the inclusion of a single phrase. We don't want that to happen to Military retirees, their families and survivors as well as veterans. **What should you do?** Since there are no Conferees to refer you to and leadership is pretty distracted please continue to contact your Senators and Representative and tell them how crucial it is to you –**THEIR CONSTITUENT**- that TRICARE and VA healthcare is in NO WAY included in the present Health care reform. If you don't know who your members of Congress are please go to the CAPWIZ shield on TREA's web site, type in your zip code and find who they are. Then write or call them. And please do it **NOW**. The Leadership is pushing to have a bill for President Obama to sign before he gives his State of the Union Address. (Which now looks like it will be given in the beginning of February.) We must not slow down.

**2) And What Does All This Mean for Medicare and TRICARE for Life (TFL)?**-Both versions of the bill include approximately \$500 billion of cuts in Medicare. Since TFL is second payer to Medicare this must have some effects on TFL patients. An entirely different law that has been on the books for years requires a 21% cut in the rates that Doctors are paid for treating Medicare patients. If this cut ever went into effect it would/will affect anyone who is trying to find a doctor willing to accept Medicare/TFL. The legislatively mandated 21% cut has been put on hold until the end of February. By that time it is expected that Congress will pass, and the President will sign, a bill delaying the cuts for another year. But these repeated yearly delays just add on to past delayed cuts so next year the called for cut will be more than 21%. A permanent solution is needed but the Leadership already removed it from the overall health care bill and then withdrew its proposed permanent solution when numerous House and Senate members balked at the fact that there was no funding for the huge cost. SO this is a problem that needs to be solved but is nowhere close to a solution. **Predictable and sufficient funding** is needed for both Medicare and TRICARE (TRICARE's payment levels are determined by Medicare payments.) Again, please contact your members of Congress and the White House and say that the nation needs a permanent solution for this problem.

**3) VA Postpones Scheduled Drug Copayment Increase**-On New Year's Eve the VA announced in the Federal Register that they were going to postpone until July 1, the scheduled copay increase from \$8 to \$9. The copay is charged for 30 day prescriptions to Veterans who are outpatients being treated for non service connected conditions. (Co-payments are not charged for prescriptions for service connected conditions; or to veterans for any prescription if they are 50% or more service disabled, or for some low income veterans). A \$2 copay was originally instituted in 2002, then rose in 2008 to \$7 for a 30 day supply; and then increased again last year to \$8. The governing regulation states that the copayment will increase every January 1 based on any increase in the prescription drug portion of the Medical Consumer Price Index calculated by the Bureau of Labor Statistics. The VA delayed the increase so it can look at other ways it might chose to calculate the co-payment cost. The temporary freeze will apply both to the copayment and to a scheduled \$120 increase in the present \$960 copayment cap for treatments of non-service connected conditions. We need to keep an eye on whatever

proposal for new modification of the regulations might be attempted in the summer- but at this time it is good news.

#### **4) 60 Minutes Looked at VA's Disability Claims Adjudication/ Secretary**

**Shinseki Responds** – Last Sunday (January 3) CBS's 60 Minutes broadcast a devastating report on the delays at the VA for adjudicating disability claims. They titled their report: "Delay, Deny and Hope That I Die". In the report they noted that the waiting list has risen to 1,000,000 claims. Below you can find VA Secretary Shinseki's reply.

#### **RESPONSE TO 60 MINUTES STORY ON VA DISABILITY CLAIMS**

*"Secretary Shinseki believes no Veteran should experience an adversarial relationship with VA. VA's primary mission is to be an advocate for Veterans. The Secretary is deeply committed to changing the paradigm of today's paper-bound disability claims process and believes that the entire system must become more transparent."*

- VA fully shares Veterans' concerns about the timeliness of disability benefit claims processing.
- VA's primary mission is to be an advocate for Veterans. There is a family member, husband, wife, son and daughter behind every Veteran that uses VA benefits and we must never take that responsibility lightly.
- Every day our 298,000 employees care for those who have borne the battle. No Veteran should experience an adversarial relationship with VA – it is unacceptable. But in instances where we have not done right by a Veteran, we must learn from our mistakes and make sure to prevent them from ever happening again.
- One of Secretary Shinseki's top priorities is to create an environment of advocacy for Veterans that is people-centric and forward thinking. We must help Veterans through our processes and make sure that our benefits programs are meeting their needs on a case by case basis.
- Technology is the key to transforming the department's system and processes. VA has embarked on a series of initiatives to improve claims processing nationwide. VA's goal is to convert to a paperless claims process over the next several years.
- VA has over 11,470 employees working to support compensation and pension claims processing. Our staff has grown by 4,200 people in the last three years and we are working diligently to leverage network automation and software productivity tools to manage our caseload effectively and deliver benefits quickly.
- VA needs a benefit rating system that reflects the current needs of our Nation's Veteran's and anticipates the needs of our future Veterans. We may not know the specifics of future conflicts, but we must be prepared to provide the best serves they deserve and have earned.
- VA is a large agency—the second largest cabinet-level agency in the federal government. We do have several communications challenges, but we must continue to work hard to improve our lines of communication and provide employees, Veterans, and all of our stakeholders with timely and accurate information.

**5) Filing Time for WWII Filipino Vet Benefits Coming to an End**—A provision in last year's Economic Stimulus bill (American Recovery and Investment Act) provided a one-time lump sum benefit for some WWII Filipino veterans (\$15,000 for U.S. citizens and

\$9,000 for Filipino citizens) The time to file for this benefits was 1 year from the signing of the bill. The bill was signed by President Obama on February 16, 2009-therefore the time to file is quickly running out. All payments are being coordinated through the Philippines. To find a place to file go to <http://manila.usembassy.gov>. U.S. residents can get the information at 1-800-827-1000. Philippine residents may call 632-528-2500 (within Metro Manila) or from outside Manila at 1-800-888-5252. In addition, Filipino Veterans may request information via email at <https://iris.va.gov>. Again, the VA Regional Office in Manila is processing all the claims so U.S. residents should mail their application to the Department of Veterans Affairs, Regional Office, PSC 501, FPO AP 96515-100. Remember the time to file an application ends on February 16, 2010.

\*\*\*\*\*



[www.treawireless.com](http://www.treawireless.com)



[www.brookdaleliving.com](http://www.brookdaleliving.com)

\*\*\*\*\*

What if TREA earned a penny every time you searched the Internet? Or how about if a percentage of every purchase you made online went to support our cause? Well, now it can!

[GoodSearch.com](http://GoodSearch.com) is a new Yahoo-powered search engine that donates half its advertising revenue, about a penny per search, to the charities its users designate. Use it just as you would any search engine, get quality search results from Yahoo, and watch the donations add up!

[GoodShop.com](http://GoodShop.com) is a new online shopping mall which donates up to 37 percent of each purchase to your favorite cause! Hundreds of great stores including Amazon, Target, Gap, Best Buy, ebay, Macy's and Barnes & Noble have teamed up with GoodShop and every time you place an order, you'll be supporting your favorite cause.

Just go to [www.goodsearch.com](http://www.goodsearch.com) and be sure to enter **Retired Enlisted Association (Aurora, CO)** as the charity you want to support. And, be sure to spread the word!



<http://www.goodsearch.com/?charityid=815089>

\*\*\*\*\*

**MAKE A DONATION TO TREA, JUST BY SHOPPING! CLICK BELOW:**



<http://www.mypowermall.com/mall/111349>

\*\*\*\*\*

**AS YOU ARE PLANNING YOUR 2010 CHARITABLE DONATIONS, PLEASE CONSIDER A DONATION TO THE RETIRED ENLISTED ASSN. MAKE YOUR DONATION ONLINE AT:**

**[www.trea.org/DonationPage.html](http://www.trea.org/DonationPage.html)**

**OR MAIL YOUR DONATION TO: TREA HQ, 1111 S ABILENE CT., AURORA, CO 80012**

**YOU MAY EARMARK YOUR DONATION TO SUPPORT WHATEVER YOU WOULD LIKE. (GENERAL FUND, THE VOICE/WEB, MEMORIAL FOUNDATION, SCHOLARSHIP, OR JUST MARK "WHERE IT IS NEEDED MOST")! DONATIONS TO TREA ARE TAX DEDUCTIBLE.**

**THANK YOU FOR YOUR CONTINUED SUPPORT!!!**

\*\*\*\*\*

Take advantage of a wide selection of group life and health insurance plans to meet every need. NEBCO supports The Retired Enlisted Association by offering members a single source solution to meet your multiple insurance needs. With access to many insurance carriers, we can provide quality group insurance plans at the best available rates. You can access detailed information about these outstanding insurance products through this website:

**[www.nebenefit.com/trea](http://www.nebenefit.com/trea)**



**<http://www.nebenefit.com/trea>**

---

**If you need to change the email address that receives the Legislative Update, go to:**

**<http://www.capwiz.com/trea/mlm/verify/>**

**At the bottom of the page, enter the email address that currently receives the update, verify who you are, and change your email address. If you have any problems email [editor@trea.org](mailto:editor@trea.org) Continue to send emails to your Senators and Representatives about the bills that are of interest to you. Remember we have prepared emails available for you.**

**If you do not receive the Legislative Update delivered to your email box, click the above link, and sign up!**

**Don't forget to "Tell A Friend" about our Legislative Updates, GoodSearch, GoodShop, and TREA's My Power Mall.**

\*\*\*\*\*

**National Headquarters email: [treaHQ@trea.org](mailto:treaHQ@trea.org)**

**Phone: 800-338-9337 - Fax: 303-752-0835**

**Washington Legislative Office email: [treadmin@treadc.org](mailto:treadmin@treadc.org)**

**Phone: 800-554-8732 Fax: 703-548-4876**