

Legislative Affairs
2016 National Convention Report
June 4th, 2016

The last year has been very productive for AMRA. We have had the opportunity to lead and support several initiatives that included working with other Veteran Service Organizations (VSOs) and lawmakers on Capitol Hill. We were successful at blocking or preventing many detrimental proposals from lawmakers, the Department of Defense, and from congressionally-appointed commissions. AMRA successfully influenced the current National Defense Authorization Act (NDAA) and we are making substantial impacts on the pending 2017 NDAA.

This year allowed AMRA to participate in several activities that were “firsts” for our association. In 2015 we were invited by lawmakers to participate in a “round table” discussion attended by key Members of Congress and we were invited to be a panel member at the Congressional Military Family Summit. Additionally, on two separate occasions, AMRA was invited to submit testimony to be included in the congressional record during key committee hearings.

As a result, AMRA has begun, in earnest, to be the “go to” association when lawmakers become involved in issues that affect retirees and survivors. Our staff and our Legislative Director receive emails and phone calls on a regular basis when lawmakers have a question or want our support with legislative initiatives.

The following report focuses on the major issues that your association has been engaged in. Each issue discussed provides background information, steps taken by AMRA, and an end result. There are some issues that have not been included in this report because they have not been brought to an adequate conclusion.

As AMRA’s Legislative Director, I am extremely proud of AMRA and its members. As I believe you will see, our combined efforts have made and will continue to make a significant difference on Capitol Hill and are earning our association a great deal of respect from lawmakers and other VSOs.

1. Military Compensation and Retirement Modernization Commission

Pursuant to the 2013 National Defense Authorization Act, a nine member independent commission spent nearly two years reviewing military compensation and retirement benefits resulting in 15 recommendations designed to improve and modernize the Uniformed Services’ compensation and retirement system. These recommendations were released to the public in January, 2015.

During the final year of the Commission’s review of military compensation and retirement, AMRA took steps to influence the commission by affording AMRA members the opportunity to participate in a survey that asked a multitude of questions regarding changes to the retirement system and how these changes would affect recruitment, retention and readiness, and then providing the commission with the results of the survey.

1,040 AMRA members welcomed the opportunity to have their voices heard and the results of the survey overwhelmingly supported NOT changing the current retirement system. While many agreed

that 401K's allow for the possibility of a larger retirement package, most also agreed that the risks inherent in such a plan are not what our service members want or deserve. The findings of the survey overwhelmingly showed that current retirees believe that such a change to the retirement system will negatively affect recruitment, retention, and readiness while the only positive outcome for such a change would be a fattening of the DoD's budget. The results of the AMRA survey were sent to the 9 members of the MCRM commission along with a letter explaining those findings and the desire of AMRA to keep the current retirement system in place.

In January, 2015, after an extensive review of the more than 200 page report, AMRA became one of the first VSOs to inform lawmakers of its position regarding three of the Commission's 15 recommendations. We chose to focus on the three recommendations that would most negatively affect retirees and surviving spouses.

The following is a summary of the recommendations that AMRA opposed and the results of our advocacy on those recommendations.

MCMRC Recommendation 1: *Help more service members save for retirement earlier in their careers, leverage the retention power of traditional Uniformed Services retirement, and give the Services greater flexibility to retain quality people in demanding career fields by implementing a modernized retirement system.*

AMRA Position: AMRA does not support Recommendation 1 as written. If other aspects of the Federal budget were to be examined and fraud, waste, and abuses were to be reallocated to pay for the "blended" plan, leaving the current 50% stipend in place, AMRA would support the entire recommendation.

During the course of numerous meetings with House and Senate Armed Services Committee lawmakers, AMRA urged reconsideration of reducing the current stipend and seek funding for the "blended" plan elsewhere. This would provide those who serve long enough to retire with peace of mind by knowing that, regardless of shifts in the market or economic downturns, they would be guaranteed a minimum of 50% of their base pay in retirement while still providing those who serve less than 20 years with a financial package upon leaving military service.

As we reported in several Legislative Watches, it had been clear for many months that the 2016 NDAA would include drastic changes to the military retirement system. AMRA advocated for many months leading up to and during the NDAA legislative process in an effort to provide future military retirees with the best retirement plan possible. This included months of meetings, phone calls, and letters written to House and Senate subcommittee and full committee members. As a result, we are very pleased with the results of our efforts, as our primary concerns were taken into consideration and were included in the final version of the NDAA.

Results of AMRA advocacy:

A. The House and Senate agreed to provide Thrift Savings Plan matching beyond 20 years of service—a feature not included in the Military Compensation and Retirement Compensation Commission (MCRMC) recommendation which is the basis for the current retirement reforms. TSP matching will now continue up to 26 years of service.

B. The House and Senate agreed to a 2% retirement stipend to extend beyond 20 years of service. This was a compromise that was made by Congress as a result of AMRA's opposition to reducing the current retirement stipend from 50% of base pay to 40%. This compromise effectively preserves the current 50% retirement stipend for those who serve a total of 25 years in the military.

MCMRC Recommendation 2: *Provide more options for service members to protect their pay for their survivors by offering new Survivor Benefit Plan coverage without Dependency and Indemnity Compensation offset.*

Under the recommendation outlined by the Commission, a retiree would still elect to contribute a portion of his or her monthly retirement pay as a premium toward the SBP. However, the amount would increase from 6.5% to 11.25%, allowing his or her surviving spouse to receive the DIC without the current dollar-for-dollar offset.

While this recommendation would allow for receipt of the full amounts of both the SBP and DIC, in the end, the retiree and/or spouse would still be funding their DIC payment. The main difference between this and current law is the fact that self-funding would occur on the front end (in the form of higher premiums) rather than on the back end (in the form of the current offset).

AMRA Position: AMRA cannot support any portion of this recommendation. SBP is a benefit that is paid for through monthly premium payments. DIC is an entitlement that is earned as a result of the years of service faithfully rendered by the retiree. Receipt of both SBP and DIC must be fully funded by the government that the beneficiaries and their family members faithfully served and supported over the course of their military careers. Anything less than a fully-funded program is considered an egregious breaking of faith with retirees and their survivors.

Results of AMRA advocacy:

As a result of our advocacy, this recommendation did not survive the 2016 NDAA mark-up process in the House and no similar language was included in the Senate version of the bill. Therefore, this recommendation did not receive any consideration during the 2016 NDAA legislative process and was essentially considered to be, "dead on arrival".

MCMRC Recommendation 6: *Increase access, choice, and value of health care for active duty family members, Reserve Component members, and retirees by allowing beneficiaries to choose from a selection of commercial insurance plans offered through a Department of Defense health benefit program.*

AMRA Position: AMRA will not support the recommendation of the Commission until a provision to provide a 100% coverage option for all military retirees is included. We recognize that working-age retiree healthcare has been a target for cost saving measures by lawmakers and we want Congress to apply all means possible to find the necessary funding to provide an option for 100% coverage for the 17% of less than 1% of our nation's population that wear a military uniform and serve for 20 or more years. This funding is available and should be sought and consolidated by identifying the current fraud, waste, and abuse in many other facets of our Federal budget.

Results of AMRA advocacy:

As the 2016 NDAA legislative process began to unfold, it became clear that health care would not be a priority and that Congress would focus on retirement reform instead. This did not stop AMRA from making its position on retiree health care reform proposals known to lawmakers. Throughout the last year we have met with all of the members on the House Military Personnel Subcommittee in an effort to lay the ground work for the current 2017 NDAA legislative process where health care is now the primary focus of lawmakers. As a result of our efforts, the health care proposals recommended by the MCRMC have largely been disregarded and are not being considered during the current NDAA legislative process. However, a new set of proposals have arisen and AMRA is currently engaged in the most important legislative battle that retirees will face in 2016.

2. Pentagon Health Care Proposals

On February 9th, 2016 the Pentagon released its 2017 budget request. The budget request included many proposals that would reform the current military retiree health care system. The majority of these proposals seek to increase costs, limit choice, and implement cumbersome bureaucratic procedures that will limit access without improving the actual health care that is currently received by patients. Under these proposals:

- Costs for all retirees and all plans will increase
- Enrollment or “participation” fees for all plans will be implemented
- Open enrollment windows will be utilized. If missed, health care will not be accessible until the next open enrollment period.
- Care will be provided solely at Military Treatment Facilities for those enrolled in TRICARE Prime
- Prescription costs will see substantial increases
- Co-pays will increase

Immediately upon learning the details of the proposals, AMRA drafted a detailed position paper that, in part, stated the following:

AMRA Position: Military retirees represent less than .05% of our entire population. These men and women provided a service to our country that the rest of the population is either unwilling or incapable of providing. Health care for our retirees should focus on improving care and not on making money at their expense. The Pentagon proposals would only serve to increase costs, limit choice, and diminish access to health care for all of our military retirees. Based on current information, the American Military Retirees Association rejects proposals that have been made by the Pentagon with regard to retiree health care and we urge lawmakers to stand with military retirees and to also reject these proposals.

AMRA then carried its position paper to Capitol Hill and placed it in the hands of the Legislative Directors for every House Member of the Military Personnel Subcommittee and the Chairman and Ranking Member of the full House Armed Services Committee.

AMRA then shared its position paper with the Legislative Directors of the VSOs that are members of the National Military and Veterans Alliance. AMRA urged joint support for a letter that was drafted and signed by seventeen VSOs representing nearly two million members. This letter was sent to the Chairmen and Ranking Members of both the House and Senate Military Personnel Subcommittees.

Concurrently, AMRA members were urged to utilize the CAPWIZ feature on the AMRA website to contact their elected officials. At the height of this effort **2,000 letters were sent in a single day!**

Results of AMRA advocacy:

At the time of the drafting of this report, AMRA is very pleased to report that not one of the proposals has been included in the House Armed Services Committee NDAA mark-up. In other words, we have successfully influenced House lawmakers from including the proposals in the NDAA.

3. Honor America's Guard-Reserve Retirees Act

During a meeting in March, 2014 with House Military Personnel Subcommittee and Veterans' Affairs Committee Member, Timothy Walz, AMRA was asked to consider supporting the "Honor America's Guard-Reserve Retirees Act".

Under current law, Reserve and National Guard service members who are eligible for retirement but who have not served on Active Duty under Title 10 orders for other than training purposes are not designated as veterans.

After 20 or more years of service reservists and guardsmen are qualified to retire and are eligible to receive military health care, shop on base, receive some VA benefits including VA guaranteed home loans, and at age 60 they are entitled to receive retirement pay. However, under current law, they are not considered to be veterans of the Armed Forces of the United States.

AMRA Position: The distinction of being classified as a veteran is a great honor and it should not be granted without careful consideration. However, in the case of those who serve honorably in the Reserves or National Guard for 20 or more years and who have met the requirements to retire, this is an honor that should be granted. AMRA supports current legislation that would grant the distinction of being considered a veteran to Reserve and National Guard retirees.

Upon deciding to support House Resolution (H.R.) 1384 and its companion legislation, Senate (S.) 743, AMRA immediately drafted letters of support that were sent to Representative Walz and Senator Boozman. AMRA then brought these pieces of legislation before the member organizations of the National Military and Veterans Alliance where we were able to gain the support of eighteen additional VSOs, representing approximately three million members. A letter of support, signed by nineteen VSOs, was then delivered to both bill sponsors.

In the weeks that followed, H.R. 1384 survived the subcommittee and full committee mark-up process and was eventually included in the final House version of the 2016 NDAA. Then, throughout May and June, AMRA sent several emails, made countless phone calls, and had numerous meetings with members of the Senate Veterans' Affairs Committee (SVAC) and the Senate Armed Services Committee (SASC) in an attempt to clear the way for S. 743, the companion bill, to be included in the Senate version of the NDAA.

A minority of Senate members were reluctant to support inclusion of the bill because it sought to modify Title 38 law to grant veteran status. The reluctance proceeded from the false notion that if Veteran status for these retirees was codified in Title 38 law it would open the flood gates for these

"new" veterans to seek additional benefits--in spite of the fact the both the Senate and House versions of the bill clearly state that no additional benefits would be granted as a result of the legislation. In the end, S. 743 was not included in the Senate version of NDAA bill.

However, Senator Boozman then offered his companion bill as an amendment to the pending and final Senate version of the NDAA and it was accepted. During the weeks that followed, there was a unanimous consent vote on the floor of the full Senate for every amendment seeking inclusion in the final Senate bill. During a unanimous consent voting procedure, one dissenting vote will block inclusion of amendments into the NDAA. Senator Harry Reid of Nevada cast the only dissenting vote within the entire Senate, blocking inclusion of the amendment.

Before the NDAA can be sent to the President for a signature or veto, the differing House and Senate versions must first be reconciled in order for the final bill to be supported by both chambers of Congress. Because the House version included the "Honoring America's Guard-Reserve Retirees Act" the possibility of a reconciled bill including the provision existed.

Throughout the end of June, 2015 AMRA sent letters to and met with all of the NDAA conferees asking them to support inclusion of H.R. 1384 in the reconciled version of the NDAA. In the weeks that followed AMRA continued to advocate for inclusion of the provision but, in the end, the House receded to the Senate dissenters and the provision was not included in the 2016 NDAA.

In the months that followed AMRA led the support for passage of H.R. 1384 as a "stand alone" bill and in November we were very pleased to report that the veteran status bill had been passed unanimously in a vote by the full House. However, for the bill to become law it then needed to pass by a vote in the full Senate. Again AMRA gained VSO support and together we pressed Senators to pass S. 743.

Concurrently, in a joint effort with many others in the Senate, Senator Heller introduced a Veterans Affairs omnibus bill, S. 1203, that included thirty-seven separate pieces of legislation to "improve the furnishing of health care to veterans by the Department of Veterans Affairs, to improve the processing by the Department of claims for disability compensation, *and for other purposes*". One of the "other purposes" included Section 701. This section contains virtually identical language as the two bills that AMRA had been fighting to get codified into law. The key difference is that, under this legislation, veteran status would be strictly honorary and it would not be codified into Title 38 law. This bill passed the full Senate in November. Upon the beginning of the 114th congressional session in January, AMRA remained in constant communication with Congressman Walz. After several meetings with his staff, AMRA was told in late February that he would recede to Senate language in S. 1203.

In a final attempt to have veteran status codified into law, AMRA submitted testimony to a joint Senate and House session of the Committee on Veterans' Affairs in March, 2016. Regrettably, our testimony did not persuade the Members to reconsider H.R. 1384 or S. 743.

Results of AMRA advocacy:

AMRA continues to pursue Guard-Reserve retiree veteran status for those who currently are not considered veterans under current law. We have appealed to Congressman Walz and Senator Boozman in an effort to get them to continue to pursue a change in Title 38 law. Currently, both have agreed to settle for honorary veteran status as contained in S. 1203. At the time of the publication of this report

we are awaiting information regarding when the Senate bill will be considered and voted on in the House.

AMRA understands that “honorary” veteran status is better than no veteran status. We also understand that the Senate language that has been passed is the result of the politics that occur when there are concerns over the language in a particular piece of legislation. In short, the Senate solution dislodged the issue from the constant resistance that it was meeting with among some Senators. We are currently focused on ensuring that the “honorary” status that has passed in the Senate passes in the House. Once this occurs, we will continue to seek ways in which to codify the status into law.

4. CHAMPVA Beneficiary Proof of Eligibility

In January, 2016 an AMRA member contacted the National Headquarters and informed the staff of a problem that he was facing with regard to a disconnect between the VA and his daughter’s university. As a full time college student and as the daughter of a 100% disabled veteran this student is allowed to have health care insurance provided through CHAMPVA. The problem for this family arose when the student, in an effort to comply with the VA proof of CHAMPVA eligibility requirement, took the VA form to her school to be filled out by the appropriate staff member. The VA form required the student’s full Social Security number. However, under the guidelines that the school must operate under, the school could only provide the last four digits of the student’s Social Security number. When the VA received the form the student’s coverage was denied because the full SSN was not provided.

The staff at AMRA HQ forwarded this information to its Legislative Director and after looking into the situation it was discovered that nearly 1,800 students nationwide had their CHAMPVA health care coverage affected simply because the VA required a full SSN and colleges and universities, due to privacy laws, are only allowed to provide the last four digits.

AMRA contacted the Legislative Director at the VA in Washington, DC. During the phone conversation that ensued, the VA’s LD agreed that this was a situation that needed to be fixed. The LD immediately connected AMRA’s LD with the appropriate administrator at the VA. After several weeks of phone calls and emails AMRA’s LD was able to get the VA to initiate a Congressional Inquiry. On March 3rd a response from Congress was sent to the VA and forwarded to AMRA. It stated that, “CHAMPVA does not require a SSN to accompany a school certification” but that, “regardless, the CHAMPVA eligibility department will verify the correct beneficiary through other means in these situations”. AMRA immediately refuted this claim by sending the VA a copy of its own form which clearly asked for the students full SSN.

Results of AMRA advocacy:

After several more weeks of follow-up with the VA, on April 6th AMRA received the following statement:

VA Community Care has initiated action to update the school certification form to edit the field which requires the full SSN and request the last four of the SSN. They estimate the form will be updated with full implementation by September 2016. As a mitigation until the form is revised, they will include language with a cover letter clarifying the change that the full SSN is not required on the form.

In the end, AMRA successfully changed a national VA policy that had been preventing many CHAMPVA beneficiary dependents from having the health care coverage that their sponsor had earned for them. AMRA will follow-up in September to ensure that the VA has followed through with the statement above.

5. Uniformed Services Former Spouse Protection Act

On April 19th AMRA was contacted by the office of House Representative Steve Russell. The Congressman informed AMRA that he was prepared to take action on eagerly anticipated legislation that would amend the Uniformed Services Former Spouse Protection Act and he asked if AMRA would support and assist with his efforts.

The USFSPA was passed by Congress in 1982 and it provided authority for State courts to treat retired pay as marital property subject to division. It also, for the first time, afforded former spouses the right to have direct payments of retired pay made to them by the Federal Government based on State court judgments, subject to certain restrictions.

Unfortunately, some State courts treat post-divorce promotions and longevity pay increases earned by the member as marital assets. This effectively means that a former spouse continues to benefit from the service member's promotions and pay raises even though he or she was not a spouse of the service member at the time they were earned.

AMRA had been working with Congressman Russell's office for more than a year in an effort to encourage action on legislation that will base all awards of military retired pay on the member's rank and time served at the time of divorce. The pay increases attributable to promotions and additional time served would be the member's separate property.

AMRA Position:

This amendment will provide a much more equitable distribution of retired pay. It will provide a fair amount of support to the former spouse while allowing the service member to fully benefit from promotions and pay raises earned solely through his or her efforts and after the effective date of a dissolved marriage.

AMRA immediately agreed to take action and drafted a letter of support which was to be included in the Military Personnel Subcommittees 2017 National Defense Authorization Act (NDAA) mark-up the following day. AMRA then presented the proposed amendment and a draft letter of support to each of the member organizations within the National Military and Veterans Alliance (NMVA) in an effort to solidify rapid and full support in time for the full House Armed Services Committee's NDAA mark-up the following week. In the days that followed, thirteen additional VSOs representing more than 1.5 million members signed the letter and it was immediately forwarded to the Congressman.

Results of AMRA advocacy:

On the evening of April 27th AMRA learned that Congressman Russell's amendment was included in the HASC's draft of the 2017 NDAA by a vote of 60-2. The NDAA must still be voted on by the full House of Representatives and, if passed, will have to be reconciled with the Senate version.

This legislative action serves as a great example of what our association is able to accomplish on very short notice and of the respect that AMRA has gained on Capitol Hill.

6. Concurrent Receipt and the Survivor Benefit Plan

AMRA has long endorsed legislation that would correct each of these egregious financial offsets and has been working to put an end to them since legislation was introduced in January, 2015. Both of these issues are among the largest hurdles that all VSOs face. The cost for correcting the wrongs that our lawmakers created years ago is incredibly high, reaching into the billions dollars. In today's fiscal climate, it has become harder than ever before to get lawmakers to move on either of these issues.

While cost is at the root of both issues, a lack of funding is a problem created by lawmakers through their reluctance or inability to reallocate funds from areas of the Federal budget that are plagued by the fraud, waste, and abuse of tax payers' dollars. As a result, our disabled retirees and our surviving spouses of retirees are forced to finance their own disability and survivor benefit plan payments through dollar-for-dollar offsets of their retirement and disability indemnification compensation.

During the last year AMRA has continued to urge Members of Congress to correct both of these flawed policies. In December, 2015 AMRA was invited to submit testimony to the House Armed Services Subcommittee on Personnel. On December 9th, 2015 the subcommittee held a hearing to learn more about the impact of these offsets from representatives of key VSOs. AMRA's testimony made it very clear that both offsets are nothing more than government mandated self-financing of earned benefits that serve only to rob our disabled retirees and their widows of money that they and/or their loved ones earned and paid for through decades of dedicated sacrifice and faithful service to our nation.

After entering AMRA's and others' testimonies into the record, regrettably—although not unexpectedly—the committee assured VSOs of its commitment to re-address both issues, “in the future”.

Because of relationships forged in two Congressional offices committed to ending the Concurrent Receipt offset, AMRA has been able to effectively continue pursuing this issue. For the last year AMRA has sought to bring together staff members from both congressional offices in an effort to encourage a joint effort to break the log jam that continues to stall advancement of both bills. Because cost is the sole impediment to passage of either bill, AMRA developed four separate courses of action aimed at keeping initial costs to a minimum while allowing for cooperation between the two Congressmen who have already introduced legislation. Each course of action is predicated upon the belief that a new, joint and bi-partisan, piece of legislation will encourage much needed co-sponsorship to ensure a new bill's advancement and eventual passage.

Ideally, AMRA would like to see this issue resolved with concurrent receipt provided to everyone who is eligible all at once. However, with the cost of doing so being the primary reason for the failure of the current bills to advance, new approaches are required to end the resistance. Therefore, AMRA has proposed that joint legislation should be drafted, using one of the following courses of action (in order of preference) as a framework for a new bill.

Course of Action 1: A five year phased approach to providing concurrent receipt. New legislation stipulates that concurrent receipt will be granted in 10% increments beginning with those who have disability ratings of 39-49% in year one.

Year 1: 39-49%

Year 2: 28-38%

Year 3: 17-27%

Year 4: 6-16%

Year 5: 1-5% and Chapter 61 Retirees

This model could also be reversed.

Course of Action 2: Introduce new, joint, legislation that seeks to provide concurrent receipt to everyone at one time, using HR 333 as the model because it includes Chapter 61's. However, the new legislation would be jointly introduced by both Representatives Bilirakis and Bishop.

Course of Action 3: Introduce new, joint, legislation that targets only a certain percentage of disability. For example, the legislation could target only those with 39-49%.

Course of Action 4: Introduce new, joint, legislation that targets only Chapter 61 retirees.

With the exception of COA 2, each of these is aimed at keeping costs down. COA's 3 and 4 would, of course, require that new legislation continue to be introduced each year in order to capture everyone who ought to be receiving concurrent receipt.

AMRA believes that, in the current fiscal climate, it would be far better to provide concurrent receipt to some retirees over a longer period of time than to no retirees at all.

Staff members in both offices enthusiastically embraced AMRA's approach and overall strategy, indicating that the first course of action would be the one that they would likely focus on.

Results of AMRA advocacy:

At the time of the drafting of this report, both staffs have agreed to work together and combine their resources in an effort to come up with a plan that will include new legislation based on AMRA's suggestions.

While still in the very early planning stages, AMRA is encouraged by the enthusiasm that staff from both offices have shown for a new approach to finally rectifying a very old problem that has forced many retirees to fund their own disability payments.

As expected, no legislation or amendments regarding either of these issues were included in the HASC's

2017 NDAA mark-up. However, the HASC has included extending the expiration date from Oct. 1, 2017 to Oct. 1, 2018 for the Special Survivor Indemnity Allowance (SSIA) for military widows/widowers.

7. Promise for Antibiotics and Therapeutics for Health (PATH) Act; S. 185

The Senate's bipartisan PATH Act would establish a new drug pathway—a unique mechanism the Food and Drug Administration could use to review and approve new antibacterial drugs for patients with serious and life threatening bacterial infections that are resistant to current treatments while maintaining current standards of safety and effectiveness.

This legislation is the next step in an ongoing effort that AMRA has been supporting since 2012 when we played a small, yet vital, role in getting The GAIN Act signed into law. GAIN has helped to streamline 19 new antibacterial treatments through the FDA, increasing antibiotics' commercial value to manufacturers by extending the term of exclusivity, or market protection, granted by FDA to innovator drugs.

In 2015 AMRA began to take a slightly larger role in support of The Flag and General Officer Network's (TFGON) effort to pass legislation that would direct the Food and Drug Administration to establish a targeted and permanent approval pathway for new, much-needed antibiotics. As a result, the 21st Century CURES Act was passed in the House in July 2015. The CURES Act will make it more feasible—scientifically and economically—to develop new antibiotics that address the unmet medical needs of specific patient populations.

In January, 2016 AMRA was again asked to lend its support, this time for the Senate companion bill, the PATH Act. AMRA immediately asked for a draft copy of any letter of support that the TFGON was considering circulating. Unknown to AMRA at this time, TFGON was working with the PEW Charitable Trust's legislative affairs committee and we received a copy of a letter that the PEW and TFGON were ready to disseminate. Upon receiving the letter, AMRA made several edit suggestions that we felt made a stronger case and that would garner more VSO support. Upon receiving the edit suggestions, PEW accepted the revisions and then AMRA's Legislative Director was able to submit the letter to the membership organizations within the NMVA in an effort to gain much needed VSO support.

Results of AMRA advocacy:

AMRA's Legislative Director advocated within the NMVA and by the end of January nineteen VSOs agreed to endorse the letter of support and it was immediately sent to the Chairman and Ranking Member of the Senate Committee on Health, Education, Labor, and Pensions (HELP). With the support of nearly 2.5 million members, the letter convinced these lawmakers to hold a hearing on the legislation and on April 6th, the PATH Act was considered and passed by the committee.

At the time of this report the legislation is on the Senate calendar and awaits consideration and a vote by the full Senate. If passed in the Senate, the law will provide a means for effective antibiotics to be produced. These drugs will be able to treat the two million Americans, primarily the elderly in hospitals

and service members returning from the Middle East, that acquire serious infections caused by antibiotic-resistant bacteria each year and that result in 2,300 annual deaths.

8. Commissary & Exchange Benefit

As the 2016 NDAA process was unfolding last year, AMRA agreed to support and assist the American Logistics Association in their effort to prevent the DoD and lawmakers from cutting \$322 million in commissary funding and from implementing DoD proposals that would essentially dismantle the current commissary benefit. Over the last twelve months, AMRA has continued to support these efforts.

Through the ongoing efforts of the American Military Retirees Association, in support of the American Logistics Association and in coordination with several other VSOs, we were able to convince Senator Mikulski to champion the protection of the commissary & exchange benefit. Senator Mikulski was then able to convince fellow lawmakers to prevent \$322 million in proposed cuts from being included in the final Senate version of the NDAA.

Senator Mikulski, as the Chairwoman of the Senate Appropriations Committee, was also instrumental in supporting an amendment proposed by Senator Inhofe which would protect military commissaries for another year and require a study to be conducted on the benefits and costs of privatizing commissaries before simply mandating privatization without any analysis or understanding of the potential effects of such a sweeping change to the current system.

Privatization was proposed by the DoD and initially supported by the Senate Armed Services Committee. The American Military Retirees Association was instrumental in supporting the American Logistics Association in a combined effort to work with both Senators Inhofe and Mikulski to ensure the passage of this amendment.

Results of AMRA advocacy:

With the passing of the NDAA in November, 2016, AMRA and the entire VSO community succeeded in preserving the commissary and exchange benefit without any changes being implemented or budget reductions.

CAVEAT:

As the 2017 NDAA process unfolds we are learning that, while we are not faced with many of the extreme DoD proposals that we successfully blocked last year, there is still work to be done to ensure that the commissary and exchange benefit remains a viable one for the 90% of service members, retirees, survivors and their families who utilize it.

The HASC version of the 2017 NDAA would allow the Defense Department to increase prices at commissary stores almost immediately, while shortcutting a pilot program ordered by Congress (as a result of the efforts described above) for this year, designed to test raising some prices while lowering others at some stores. Currently commissaries are required to sell items at cost, plus a 5-percent surcharge.

Under the pilot program that we supported, test stores were to base their new price schemes on a "cost savings" baseline established by comparing prices to nearby civilian markets. For example, the savings point could be set at 20 percent, meaning goods at the commissary would be required to be that much less than the average prices found at grocers outside the gate.

Language in the HASC version of the 2017 NDAA would forgo the pilot program and simply allow officials to launch new price schemes throughout the entire system without any consideration or analysis of their impact.

Next Step:

On May 2nd, 2016 AMRA attended a meeting that included representatives from several of the most prominent VSOs. We all agreed that we will support a joint letter of support addressed to every single House representative and to the Members, Chairman, and Ranking Member of the Senate Armed Services Committee in an effort to have this language removed from the final NDAA.

Actions Initiated During the Drafting of this Report:

As this report was being drafted, AMRA's LD was contacted by Congressman O'Rourke and asked to consider supporting two bills that the Congressman would like to introduce. They include the following:

A Bill to Amend Section 715 of the 2016 NDAA

Congressman O'Rourke asked AMRA to support an amendment to the 2016 NDAA that would allow a service member transitioning from the DoD health care system to the VA health care system to maintain any prescription deemed necessary by a DoD provider.

Currently, there is a disconnect between the DoD and the VA and many times a prescription deemed necessary by a DoD provider is not considered necessary by the VA, often resulting in a lapse or lengthy suspension in the transitioning service member's prescription.

Section 715 of the 2016 NDAA requires that, by June 1st, 2016 the Secretaries of Defense and Veterans Affairs establish a joint formulary of prescription drugs that are critical for this transition. The section calls for the inclusion of any prescribed drugs relating to the control of pain, sleep disorders, psychiatric conditions, post-traumatic stress disorders, or any other conditions determined appropriate by the secretaries.

The intent of the legislation is to allow a transitioning service member to maintain a DoD prescribed medication "...until a health care provider of the Department of Veterans Affairs determines that the individual does not require such pharmaceutical agent". As AMRA's Legislative Director reviewed the legislation, it became clear that the language does not include a time standard that would prevent a VA provider from immediately determining that a prescription is not required. If this were allowed to happen, it would make the intent of the legislation irrelevant.

AMRA's LD has urged the Congressman to include the following language (in italics) prior to granting AMRA's support for the legislation:

"...until a health care provider of the Department of Veterans Affairs determines that the individual does not require such pharmaceutical agent. A DoD prescribed pharmaceutical shall not be determined by a health care provider of the Department of Veterans Affairs to be unnecessary prior to six months from the start of a transition."

This will eliminate the possibility of a VA provider prematurely ending a DoD prescription and would also allow the veteran time to seek alternatives in the event that the VA does determine that a DoD prescription is not necessary.

The Congressman's staff is taking our suggestion under advisement. We are hopeful that this change will be made so that we can lend the full weight of our support to what could be a very meaningful piece of legislation.

Vet Connect

Congressman O'Rourke has also asked for AMRA's support for his "Vet Connect" bill. Vet Connect will allow for the sharing of VA medical records with non-VA health care providers and will promote continuity of care and ease cumbersome administrative requirements which often delay necessary health care for our veterans.

As the VA continues to outsource routine care to non-VA providers, it becomes increasingly important to ensure that those providers have as much information as possible regarding the health history of a veteran so that he or she may make the most informed choices possible with regard to the care management of a veteran.

Currently, the VA is not allowed to share any part of a veteran's medical records without written consent and this causes lengthy delays in a non-VA provider's ability to treat a veteran.

Congressman O'Rourke's amendment will end needless delays for our veterans and will provide health care professionals with efficient access to complete health care records in order to facilitate timely and accurate health care decisions.

After reviewing this bill and the supporting documents provided by the Congressman, AMRA determined that this legislation is very much needed and that it will greatly improve the health care of our veterans. On May 5th, AMRA was pleased to provide the Congressman with a letter of support.