

**DEPARTMENT OF DEFENSE AUTHORIZATION FOR
APPROPRIATIONS FOR FISCAL YEAR 2017 AND
THE FUTURE YEARS DEFENSE PROGRAM**

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES

UNITED STATES SENATE

ONE HUNDRED FOURTEENTH CONGRESS

SECOND SESSION

ON

S. 2943

TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEAR 2017 FOR MILITARY
ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CON-
STRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF
ENERGY, TO PRESCRIBE MILITARY PERSONNEL STRENGTHS FOR
SUCH FISCAL YEAR, AND FOR OTHER PURPOSES

**PART 6
PERSONNEL**

MARCH 8, 2016



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CONTENTS

MARCH 3, 2016

	Page
MILITARY PERSONNEL POSTURE	1
McConville, Lieutenant General James C., USA, Deputy Chief of Staff for Personnel, United States Army	3
Moran, Vice Admiral William F., USN, Deputy Chief of Naval Operations for Manpower, Personnel, Training, and Education, United States Navy	8
Brilakis, Lieutenant General Mark A., USMC, Deputy Commandant for Man- power and Reserve Affairs, United States Marine Corps	15
Grosso, Lieutenant General Gina M., USAF, Deputy Chief of Staff for Man- power, Personnel, and Services, United States Air Force	23
Roth-Douquet, Kathy, Chief Executive Officer, Blue Star Families	49
Raezer, Joyce W., Executive Director, National Military Family Association	57
Bousum, Scott, Legislative Director, The Enlisted Association of the National Guard of the United States	80
Davis, Joseph E., Public Affairs Director, Veterans of Foreign Wars	112
Questions for the Record	130

**DEPARTMENT OF DEFENSE AUTHORIZATION
FOR APPROPRIATIONS FOR FISCAL YEAR
2017 AND THE FUTURE YEARS DEFENSE
PROGRAM**

TUESDAY, MARCH 8, 2016

U.S. SENATE,
SUBCOMMITTEE ON PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

MILITARY PERSONNEL POSTURE

The subcommittee met, pursuant to notice, at 2:40 p.m. in Room SH-216, Hart Senate Office Building, Senator Lindsey O. Graham (chairman of the subcommittee) presiding.

Subcommittee members present: Senators Graham, Wicker, Tillis, Sullivan, Gillibrand, Blumenthal, and King.

OPENING STATEMENT OF SENATOR LINDSEY O. GRAHAM

Senator GRAHAM. The committee meets this afternoon to review the military personnel defense authorization request for fiscal year 2017 and future years defense programs.

We are fortunate to have two panels of distinguished witnesses joining us today. On the first panel, we have Lieutenant General McConville, Vice Admiral Moran, Lieutenant General Brilakis, and Lieutenant General Grasso. On the second panel, we have Ms. Kathy Douquet, Chief Executive Officer of Blue Star Families; Ms. Joyce Raezer, Executive Director of the National Military Family Association; Mr. Scott Bousum, Legislative Director of The Enlisted Association of the Nation Guard of the United States; Mr. Joseph Davis, Public Affairs Director of the Veterans of Foreign Wars.

As we consider this year's military personnel defense authorization request, we must continue to ask ourselves what impact these authorizations and requested changes in policy will have on our servicemembers and their families. We must also balance that with the reality of sequestration and the need to preserve the readiness of our Armed Forces.

This subcommittee is primarily concerned with modernizing the military health care system this year. As I have stated publicly many times, our goal is to reform the health care system to deliver higher-quality care, to improve access to high-quality providers, and to ensure a strong focus on combat casualty care. I hope that both panels of witnesses today will address military health care reform.

In the last year's NDAA [National Defense Authorization Act], this committee, along with our House colleagues, acted upon recommendations of the Independent Military Compensation and Retirement Modernization Commission. The reforms made will vastly expand the military retirement benefits to reach more of those who served. We owe it to those members to reward them for their service to this Nation.

To this point, I find it particularly concerning that the Department of Defense has proposed legislation that would dramatically decrease the number of servicemembers who are eligible for the thrift savings plan contributions from the Government. It was an intentional choice by this committee to set eligibility to 2 years and 1 day of service. The Department came over last year and asked us to modify that by pushing the eligibility date further into a servicemember's career. We unanimously rejected that call last year, and we will continue to reject requests from the Department of Defense that would delay Government contributions until 5 years of service. We believe that the new retirement system should benefit more servicemembers. Let me be clear. It is our commitment to the many servicemembers who go out on deployment before reaching their fifth year of service that they too have earned some retirement.

I am also concerned that the Department's proposal that would continue to suppress military pay raises misses the mark. For the last 3 years, this administration has failed to allow servicemembers' pay to keep up with the private sector wage growth. This is the fourth year in a row where the Department is shortchanging servicemembers. The personnel budget came over to us as neutral. This means that savings the Department took from giving a lower pay raise and delaying Government retirement contributions went to other benefits within the personnel budget. This money did not go to readiness. Instead, this money went to pay the costly fringe benefits as part of the focus of the future.

To all the witnesses, I hope today you will tell us what we can do to make your job more efficient, better serve those under your care, and find a way to make health care not only of a higher quality but sustainable in terms of cost.

With that, I will turn it over to the ranking member, Senator Gillibrand.

STATEMENT OF SENATOR KIRSTEN E. GILLIBRAND

Senator GILLIBRAND. Thank you, Mr. Chairman. I join with you today in welcoming our witnesses to review the Department's fiscal year 2017 budget request.

As we begin our review of DOD's [Department of Defense's] budget and programs, I applaud the Department's progress in opening all service positions, including combat positions, to women. I believe this change will strengthen our military over time because it will provide access to the full spectrum of talent available for military service by allowing anyone, man or woman, who can meet the standard for service to compete for those positions.

It is important that we now turn our full attention to successful implementation of this change, and I look forward to hearing from our witnesses about their plans to achieve success in this area.

I am also committed to making our military justice system the best in the world, and I would be interested to hear specifically from the Navy regarding the changes that have been made to create a specialized career track for litigators. Specifically, how has this specialized training improved litigation on sexual assault cases?

I continue to be concerned about how we support families with children and other dependents with special needs such as children with autism and other developmental difficulties. I am concerned about the availability of support services for these families, how they are assigned, what happens to the family when the member deploys, and whether these programs are fully funded in the budget. I would like to hear more about each service handles this very vulnerable population and in what ways this subcommittee might be helpful.

Finally, I understand the Department will again propose measures to slow growth of personnel costs, including health care, within the Department. I remain concerned, as I was the last 2 years, about the cumulative impact these proposals have on the most vulnerable servicemembers, our junior enlisted and their families. I would like to hear the witnesses' views as to whether the services can continue to recruit and retain America's very best for military service with the benefits package they would provide under this budget, especially in light of an ever-improving civilian economy. Recruiting talented individuals for service and retaining them and their families is the ultimate test of the fairness and adequacy of our military compensation system. I believe that policies that support military families will ensure we are able to attract and retain the best individuals for our Armed Forces.

Again, I thank our witnesses, and I look forward to your testimony.

Thank you, Senator Graham.

Senator GRAHAM. Thank you very much.

General McConville?

STATEMENT OF LIEUTENANT GENERAL JAMES C. McCONVILLE, USA, DEPUTY CHIEF OF STAFF FOR PERSONNEL, UNITED STATES ARMY

General McCONVILLE. Thank you, sir. Chairman Graham, Ranking Member Gillibrand, distinguished members of this committee, I thank you for the opportunity to appear before you on behalf of the United States Army. I have submitted a statement for the record and would like to highlight a few points from it, if I could, now.

The Army's people and our soldiers, civilians, families, retirees, and veterans are our greatest asset. We are the most formidable ground combat force on earth, and we must stay that way.

Readiness is our number one priority, and manning the Army is the key component of readiness. As the Army draws down from 2010 wartime high of 1.13 million soldiers to 980,000 soldiers by 2018, we will have the smallest Active Army end strength since before World War II.

Commensurate with the military drawdown, we are also drawing down our civilian workforce. With an Active force this size, we

must sustain the highest quality force possible. The drawdown we are executing is performance-based, and we have done everything we can to deal with our soldiers with the utmost compassion and care and remain committed to our soldiers, give them the benefits they have earned and the respect they deserve as soldiers for life.

As the G1 of the Army and the father of three soldiers, I take this responsibility very seriously. It breaks my heart that we have to involuntarily separate soldiers who have served so honorably during this time of conflict.

While we are doing the drawdown, we also need to shape the future force. We still need to recruit resilient and fit soldiers of character. We must also continue to retain the most talented soldiers and noncommissioned officers who have the experience and skills that we need to meet our future needs.

To build this high quality Army that is trained and ready, we must leverage all the available talent to ensure every individual can get on the field and play their position both home and away.

To accomplish this, we are moving from an industrial age personnel management system to a modern talent management system that will fundamentally change the way we manage all three components called IPPS-A [Integrated Personnel and Pay System-Army].

Diversity is important to our Army. Through our outreach and marketing efforts, we have focused on increasing diversity of the force in under-represented branches and occupations. We are committed to giving all soldiers who can meet the standards of military occupation specialty the opportunity to serve in that specialty. Opening all the military occupations provides increased opportunities for our women and increases the talent pool for the Army.

We are focused on personal resiliency, sexual harassment and assault response and prevention, and suicide prevention, and we remain fully committed in all these areas.

Additionally, we are helping our soldiers who are transitioning out of the military find quality employment. We consider all soldiers soldiers for life, and we believe they deserve our sincere gratitude for their enduring recognition of their service. Today's soldiers will not only influence the next generation of young people to join the Army but will connect communities across the Nation with this Army.

So at the end of the day, the Army is people. The men and women who serve our Nation today, along with their families, and all those who have served in the past are our most important asset. As a Nation, we must ensure they have the required resources they need so they are ready when we ask them to fight and win our Nation's wars.

I thank you all for your continued support of our all-volunteer Army. I look forward to your questions.

[The prepared statement of General McConville follows:]

PREPARED STATEMENT BY LIEUTENANT GENERAL JAMES C. MCCONVILLE

Chairman Graham, Senator Gillibrand, Distinguished Members of this Committee, I thank you for the opportunity to appear before you on behalf of the United States Army.

The Army is people and our soldiers, civilians, retirees, veterans, and families are our greatest asset. We are the most formidable ground combat force on earth, and

our missions today include fighting terrorists around the world; training Afghan and Iraqi Army Forces; peacekeeping in the Sinai Peninsula and Kosovo; missile defense in the Persian Gulf; security assistance in Africa and South America; deterrence in Europe, the Republic of Korea, and Kuwait; rapid deployment global contingency Forces; and response Forces for the Homeland. The Army currently has approximately 190,000 soldiers in support of U.S. Geographic Combatant Command missions and deployed to 140 countries.

Readiness is our number one priority and manning the Army is one of the key components of readiness. As the Army draws down from the fiscal year 2010 wartime high of 1,133,000 to 980,000 by fiscal year 2018, we will have the smallest Active Component Army end strength since before WWII. Our Total Army end strength currently stands at approximately 1.03 million with the Active Component (AC) currently at approximately 483,000, the Army Reserve (USAR) at approximately 200,000, and the Army National Guard (ARNG) at approximately 348,000. We forecast our Total Army end strength to be approximately 990,000 by the end of fiscal year 2017 with 460,000 AC, 195,000 USAR and 335,000 ARNG. With an Active force this size, we must sustain the highest quality force possible.

Achieving an AC 450,000 end strength by fiscal year 2018 requires a 40,000 reduction, of which approximately 14,000 will be involuntary. The Army has already involuntarily separated of approximately 4,400 soldiers (1,100 enlisted and 3,300 officer) from Active Duty since the start of the drawdown. This drawdown is performance based, and we have strived to conduct separations with the utmost compassion and care, and remain committed to giving soldiers the benefits they've earned and the dignity and respect they deserve. The separating soldier's chain of command is actively involved in the transition process and Transition Assistance Programs are available to ensure a smooth takeoff.

A primary difference between this drawdown and the drawdown after the first Gulf War is our use of involuntary separation boards. Our involuntary reduction programs focus on quantity by grade and skill and on quality by assessing a soldier's potential for future service. We only use involuntary separations when necessary because we recognize there are qualified and committed soldiers who will be asked to separate from Active Duty. We are encouraging qualified soldiers who must transition from Active Duty to continue to use their skills in the USAR or the ARNG.

Simultaneous to the drawdown and to shape the future force, we still need to recruit resilient and fit soldiers of character who can become competent, committed, agile and adaptable leaders in the Profession of Arms. This effort starts with comprehensive, focused national and local marketing strategies. Marketing efforts this year alone have resulted in increases in the number of prospects who are willing to consider Army service. Despite a challenging recruiting environment, where fewer than one in three U.S. youths are qualified to serve and only one in eight have a propensity to enlist, the Army achieved its fiscal year 2015 AC recruiting mission of 59,000 with more than 95 percent of enlistees holding high school diplomas. The ARNG successfully recruited to meet end strength and the USAR was in striking distance of its fiscal year 2015 recruiting mission. We are aggressively working to achieve fiscal year 2016 Active and Reserve component recruiting goals, and we are focused on bringing in high quality recruits to reduce first-term attrition.

The Army must continue to retain the most talented soldiers and non-commissioned officers with the experience and skills necessary to meet our future needs. Even with current challenges, persistent conflict, continued drawdowns and budgetary uncertainty, the AC, USAR and ARNG each achieved their fiscal year 2015 retention missions and are on track to successfully meet their respective fiscal year 2016 retention missions.

Commensurate with the military drawdown, we have drawn down our Civilian Workforce from a wartime high in fiscal year 2011 of 284,000 (238,000 Army appropriations) to 247,000 (206,000 Army appropriations) in fiscal year 2015, with a projected workforce of 240,000 (196,000 Army appropriations) by fiscal year 2017. As the Army evolves, and the Civilian Workforce is reduced, we are continuing to make improvements in how we recruit, manage, develop and evaluate our Civilians. Ongoing initiatives are designed to institutionalize career programs, leadership training, individual development and senior leader talent management, which ensures civilian leaders are developed on par with their military counterparts.

The Army Civilian Training and Education Development System Intern Program provides for a strategic succession plan to replenish the Civilian workforce while maintaining the requisite skills required for functional proficiency. Program re-engineering efforts have resulted in improved hiring execution, with program goals to hire 1,000 interns annually. Fifty percent of the intern hires are within science,

technology, engineering and mathematic fields, and about half of our intern hires are veterans.

Diversity is important to the Army. Through our outreach and marketing efforts, we are focused on increasing diversity of the force in underrepresented branches and occupations. We've seen improvements in representing the diversity of America's talent in our officer corps. The United States Military Academy (USMA) increased the number of female cadets from 16 percent in the class of 2016 to 22 percent in the class of 2019. The Reserve Officer Training Corps (ROTC) experienced similar growth in female enrollments from 21 percent in 2016 to more than 27 percent women in class of 2019. Further, the officer corps has had an increase in African American Accessions—15 percent in USMA class of 2019 are African American versus 8 percent of the class of 2016, and 13 percent will commission through ROTC in 2019, versus an average of 11 percent from 2012–2016. Through marketing and targeted recruiting and retention efforts, we remain committed to sustaining a high-quality All-Volunteer Force of the future that represents the diversity of America.

The Army is committed to giving all soldiers who can meet the standards of a Military Occupational Specialty (MOS) the opportunity to serve in that MOS. From May 2012 to October 2015, we opened more than 95,000 positions to women. Pending approval of our implementation plan, we will open approximately 125,000 additional positions to women in Infantry, Armor and Field Artillery as well as approximately 13,000 positions in Special Forces. Opening all military occupations provides increased opportunities for women and more talent for the Army.

To build a Total Army of Active, Reserve and National Guard Forces, as well as Civilians, who are trained and ready to take on the challenges of the future, we must leverage and manage all available talent and ensure every individual is able to get on the field and play his or her position. Our goal, is complete visibility of all of our knowledge, skills, abilities and behaviors to ensure the right person is in the right job at the right time. To accomplish this, we must move from a personnel management system to a talent management system. We are actively pursuing the Integrated Personnel and Pay System—Army (IPPS-A). IPPS-A is a Human Resources Information System (HRIS) that for the first time, will allow the Army to manage the AC, USAR, and ARNG on one HRIS, providing visibility of the knowledge, skills, abilities and behaviors of the Total Force. Next, it will allow us to manage talents and match them to Army requirements. Finally, it will provide us an audit capability to ensure personnel and pay are compliant with the law.

The Army's prioritization on readiness and taking care of soldiers has resulted in reducing our non-deployable soldier population from a high of 17 percent Active Component Brigade Combat Team non-deployables in April 2011 to approximately 10 percent of the Total Army in December 2015. To ensure soldiers get the benefits they have earned, the Army continues to reduce the time it takes for a soldier to process through the Integrated Disability Evaluation System (IDES). Active component averages approximately 220 days and Reserve component approximately 269 days. Similarly, we've reduced the IDES inventory from about 17,000 soldiers in December 2014 to just under 13,000 soldiers in December 2015. We've also reduced the Temporary Disabled Retired List from approximately 17,000 in December 2014 to 8,816 soldiers in December 2015.

Personal resiliency is fundamental to readiness. At our 25 Resilience/Performance Training Centers, we've certified 35,000 Master Resiliency Trainers who are resident in company level formations to help train on 14 resiliency skills. Every trainee receives two hours of resiliency training in Basic Combat Training. This year, we've also piloted a teen resiliency program for seventh to twelfth-graders that develops self-awareness, self-regulation, and helps to build character and social connections. We continue to field the Commander's Risk Reduction Dashboard to help unit commanders better see the level of resiliency in their formations. We continue to use the Global Assessment Tool (GAT), a self-awareness tool for soldiers to measure their personal resilience by assessing their own physical, psychological, social and spiritual readiness. In fiscal year 2015 alone, more than 781,000 soldiers completed the GAT.

Sexual Harassment/Assault Response and Prevention (SHARP) remains a top priority for our Army. Sexual violence goes against everything we stand for as soldiers. The "Not In My Squad" Campaign, led by the Sergeant Major of the Army, stresses the importance of trust at squad level and the basic leadership traits of competence, character and commitment. Through this effort and continued leader emphasis, we will improve command climates to ensure every soldier is treated with dignity and respect.

While reports of sexual harassment and assaults have increased in the past year, prevalence has decreased. Prevalence is the percentage of Active Duty servicemembers who have indicated they experienced unwanted sexual contact with-

in the past 12 months. In fiscal year 2014 the Army received 2,606 reports (2,072 were reported by soldiers). This marks a 12 percent increase from fiscal year 2013 and is 60 percent higher than fiscal year 2012 (1,572). Prevalence is down from 8,800 in fiscal year 2012 to 7,300 in fiscal year 2014. An increase in reporting reflects increased trust in the chain of command. Our Sexual Assault Response Coordinators, Victim Advocates, Program Managers and Special Victim Counsels continue to provide support to victims through more than 12 resource centers. This concerted effort and emphasis on the victim—now fully instituted on our installations—has allowed us to programmatically shift to prevention from reaction in the coming year. The SHARP Academy is a best practice in this prevention effort, having trained 230 personnel in fiscal year 2014 and 395 in fiscal year 2015.

Suicide remains a serious concern for our Army. With the number of deaths by suicide in the AC at the lowest in the last six years, and suicide rates in the USAR and ARNG, within historical norms, the Army remains committed to combating suicide with a multi-disciplinary, holistic approach to suicide prevention. Key to this approach is getting the soldiers' family, squad leader and buddies sensitized to the indicators, difficult life transitions and high risk behaviors that could lead to a suicide, and then having the required behavioral health care at the point of need.

Key to suicide prevention is decreasing the stigma associated with seeking behavioral health care. Behavioral health encounters for the Total Army grew from approximately 700,000 in fiscal year 2003 to approximately 1.6 million in fiscal year 2014, indicating greater trust in the system. Active Duty soldiers using behavior health services increased from 5.7 percent in fiscal year 2003 to 15.6 percent in fiscal year 2014. Reserve component soldiers using behavioral health care increased from 2.5 percent in fiscal year 2003 to 7.2 percent in fiscal year 2014. Family members using behavior health services likewise increased from approximately 300,000 in fiscal year 2003 to 1,300,000 in fiscal year 2014. In addition to reducing the stigma associated with seeking help, the Army has provided more timely care. In 2014 more than 90 percent of soldiers were seen by a privileged mental health provider within thirty days—this is an increase from 25 percent in fiscal year 2011. Embedding services with brigade combat teams is a proven best practice—one that we've recently leveraged for the Army Substance Abuse Program, by aligning services under MEDCOM.

In addition to taking care of soldiers and their families while they are in the Army, we are committed to helping them transition into the civilian world. We know that only 10 percent of enlisted soldiers and 30 percent of officers stay in the service for 20 years, the point where they are eligible for retirement. It is clear that we must focus on preparing our soldiers for life after their service. Every year about 120,000 soldiers transition from the Army and we must ensure they have a smooth transition to civilian life with quality employment.

VOW Act compliance across the Army was 88 percent—the Active Component at 90 percent, ARNG at 85 percent and USAR at 75 percent. Compliance numbers increased sharply over last year with an 18 percent increase across the Total Army. The compliance rate in the Active Component was up 7 percent; ARNG produced the largest increase of 39 percent; and USAR recorded a 24 percent improvement.

We consider all soldiers to be "Soldiers for Life" who deserve our enduring gratitude and recognition of their service. Today's soldiers will not only influence the next generation of young people to join the Army but will connect communities across the Nation with its Army.

In addition to building strong relationships with Government, non-Government and private sector entities, we have synchronized our efforts to provide post military service career opportunities by enabling collaborative efforts with the Departments of Veterans Affairs and Labor to bring Transition Summits to installations worldwide. Soldier for Life continues to leverage our interagency partners, the private sector and non-profit philanthropic organizations connecting soldiers and their Families with opportunities across the country assisting their reintegration into civilian society.

At the end of the day, the Army is people. The men and women who serve our Nation, along with their families, are our most important asset. As a Nation, we must ensure they have the required resources so they are ready when called upon to fight and win our Nation's wars. I thank all of you for your continued support of our All-Volunteer Army.

Senator GRAHAM. Admiral?

STATEMENT OF VICE ADMIRAL WILLIAM F. MORAN, USN, DEPUTY CHIEF OF NAVAL OPERATIONS FOR MANPOWER, PERSONNEL, TRAINING, AND EDUCATION, UNITED STATES NAVY

Admiral MORAN. Thank you, Mr. Chairman, Ranking Member Gillibrand, Senator King. It is great to be here this afternoon, and I am honored to represent the over 600,000 men and women of our U.S. Navy, Active, Reserve, and Navy civilians.

Over the years, your stalwart support on behalf of them and their families has had a profound effect on the health of our force today. It is a diverse, strong force, blessed with unparalleled talent and selfless commitment to serve.

But there are reasons to pay very close attention to potential challenges and risks ahead for all of us. An unpredictable economy, a declining veteran population, a legacy personnel system, and growing competition for high-tech schools threaten our future. So we need to consider every dimension of our operating environment in order to reduce the risk to replenishing our workforce with very high-quality people.

Fortunately, our current healthy manning in the fleet has given us an opportunity to boldly look to transform our personnel system and set the table for the next 30 years in the Navy. Its policies, analytic tools, and supporting infrastructure will hold us back unless we upgrade this system. Our workforce is anxious for this change. They expect greater transparency and responsiveness, and they expect a system that speaks to them.

So we are on a path to modernize and have begun setting the conditions to match their expectations. Sailors who are driven by tenacity, consumed with passion for excellence and the will to win, who understand and appreciate that there is no better place to be and no more rewarding life to live than to serve—that is who builds a great Navy. That is the Navy we have and the Navy we intend to keep. As military professionals, we have a covenant with our sailors and the American people to do nothing less.

I really appreciate the opportunity to be here, Mr. Chairman. I look forward to your questions.

[The prepared statement of Admiral Moran follows:]

PREPARED STATEMENT BY VICE ADMIRAL WILLIAM F. MORAN

I. INTRODUCTION

Chairman Graham, Ranking Member Gillibrand, and distinguished members of the Committee, I am honored to appear before you to review Navy manpower, personnel, training, education and family support programs and priorities for fiscal year 2017.

II. A READY AND CAPABLE GLOBAL NAVY

From providing kinetic strike options to commanders leading the fight against ISIL (Islamic State of Iraq and the Levant), to monitoring developments in the South China Sea, worldwide naval presence matters now more than ever. With 40 percent of our ships underway, and forward deployed Forces all around the globe, your Navy is truly America's away team. Our ability to perform our mission depends first and foremost on our Navy Team—sailors, both Active and Reserve, Navy Civilians, and their families.

Strengthening the Navy Team is a key element of Navy's *A Design for Maintaining Maritime Superiority*. Some of the biggest impacts that we can make on our warfighting capability do not involve a lot of money, but instead are changes to how we do business. Recent results from the Optimized Fleet Response Plan (O-FRP)

have reinforced the value of properly manning our ships, submarines and aviation squadrons, both in terms of numbers and with the right skill sets. As our platforms continue to become more technologically advanced, and the missions become more complex, the demand will grow for recruits with a high aptitude who can learn faster on the job, innovate naturally, and master new, complex skills over a career. At the same time, competition for skilled labor will intensify, which requires an agile personnel organization that can recognize challenges and opportunities and quickly respond with effective solutions. My organization is in need of an upgrade, akin to modernizing any weapons system. Our sailors operate at the speed of warfare at sea and in the air, and expect that same opportunity for involvement, for frank dialogue and for choices when it comes to their career decisions. Our sailor 2025 program, funded in this budget, is a dynamic set of initiatives, process improvements and management tools that address many of the challenges we face in building a more competitive personnel management system. The three pillars of this program are Personnel System Modernization, to better identify and reward talent while expanding career choice and flexibility; Ready, Relevant Learning, to deliver tailored learning solutions along a sailor's career continuum; and Enriched Culture, to enhance empowerment and trust at all levels by improving sailor and family resilience and health.

To move forward on "Strengthening our Navy Team for the Future", the Navy Manpower, Personnel, Training & Education (MPT&E) enterprise has focused on three complimentary lines-of-effort—*Force Readiness and Manning*, *Force Management*, and *Force Resiliency*. My guiding principles are to maintain trust, balance our limited force to meet future challenges, and provide stability for the lives of sailors, Navy civilians, and families. There are limits to even our most thoughtful investments in platforms and technologies—but unbounded potential when we design for and make smart investments in our people.

We must maintain a ready and capable naval force comprised of ships, submarines, squadrons and units, appropriately manned and trained to carry out their warfighting missions. To accomplish this, we will continue to develop and implement policies that facilitate delivery of highly trained and fully qualified personnel to fill billets at sea. Since December of 2012, we have filled nearly 11,000 gapped at-sea billets. We must balance filling deploying units' critical billets with qualified personnel while maintaining healthy ship-to-shore cycles for our sailors. To help in this effort, Navy has expanded the O-FRP from its inception in 2014 to provide more capacity and predictability in maintenance and training, while providing stability for our deploying Forces and their families.

Healthy warfighting communities, with an understanding of tomorrow's force structure and battle plans, are the underpinning of a ready force. Manning our units with the right number and type of properly trained and experienced sailors is a critical element of readiness. In the proposed fiscal year 2017 budget request, Navy end strength is properly aligned with force structure in support of mission requirements. While we project a reduction in end strength as a result of a decrease in military personnel requirements—primarily driven by one less Air Wing and the efficiencies associated with the start of a more modern and efficient training effort—those reductions will be achieved through natural attrition. Navy continues to attract the best-qualified candidates to serve, who often present creative solutions to our most vexing operational and even foreign policy challenges—and we want to keep it that way. Our success in retaining and developing talent and our high quality work force depends on our ability to provide excellent quality of service for our sailors, civilian employees and families.

We ask an incredible amount of our sailors and their families. In return, we are inherently responsible for providing them with the level of support, positive working environments, and care commensurate with their personal sacrifices. Navy has implemented a continuum of harm prevention strategy to provide coordinated and complementary efforts to improve sailor resilience and readiness—including sexual assault prevention and suicide prevention. This strategy recognizes the common factors in destructive behaviors, such as alcohol abuse. It recognizes the value of fostering a positive command climate, the need for peer-to-peer intervention training, and the importance of addressing all wrong behaviors, even those that seem relatively minor. Navy's 21st Century sailor Office integrates, under one umbrella, the programs that sustain and instill resilience and fitness in sailors. The 21st Century Sailor Office provides a focusing lens and overarching policy support to these critical programs and is embarked on a comprehensive campaign to engage the fleet and expand resiliency programs. We are continuing our efforts to promote a healthy, efficient, and professional work environment, continuing outstanding support of families, and fulfilling our promise to aid servicemembers that transition to civilian life.

III. FORCE READINESS AND MANNING:

We continue our efforts to maintain required manning and readiness levels by attracting highly qualified men and women to serve in the most effective and technologically advanced naval force in history. We will develop, train and educate a ready force to deliver the right person with the right skills in the right job at the right time—a metric we call “fit.” We are also taking deliberate steps to forecast future operating environments and ensure we are prepared to meet emerging challenges. These plans support our goals to retain our most talented sailors and maintain readiness to meet fleet requirements. To remain operationally effective, we will deliver technical training and advanced education throughout a career.

Fleet Manning: We continue to make considerable progress in improving fleet-manning and warfighting readiness. In fiscal year 2015, we reduced the number of gaps at sea to approximately 1,800, a reduction of 3,900 gaps. We filled 98.7 percent of all enlisted sea duty billets; Sailors in the proper seniority and possessing the appropriate skill level filled 91 percent of those same billets. In support of the Optimized Fleet Response Plan, we will man deploying units earlier in the training cycle to ensure a more cohesive team upon deployment. We are meeting these objectives by modernizing our enlisted distribution systems with a Billet-Based Distribution (BBD) capability that will modernize our legacy distribution programs, and which will provide a more detailed enlisted demand signal to more efficiently, and accurately, meet enlisted manning requirements.

Retention: We continue to monitor retention behavior closely across the Navy. End of fiscal year 2015 enlisted retention was 98 percent of goal for sailors with up to six years of service, 99 percent of goal for sailors with 6–10 years of service, and 105 percent of goal for sailors with 10–14 years of service. While we anticipate meeting aggregate enlisted retention goals in fiscal year 2016, we continue to experience retention challenges and inventory shortfalls within some communities, such as Information Warfare, Nuclear Field, Special Warfare, and Advanced Electronics. Targeting junior enlisted personnel possessing these unique skills with increased incentives will remain critical for achieving required retention and sustaining a healthy force into the future. After experiencing strong retention in fiscal year 2014 and fiscal year 2015, current economic indicators suggest a greater pull from the civilian workforce for our top talent over the next couple of years. Getting ahead of this impending change requires focused targeting of bonus programs, particularly Selective Reenlistment Bonuses among high-demand critical skill sets and less technical skill sets that an improving economy may adversely affect. We must focus on retaining sailors in the right mix of ratings and pay grades to position Navy to meet future mission requirements.

Continuum of Service initiatives permit us to retain valuable skills and experience of sailors transitioning from Active Duty to the Reserve Component, while also providing opportunities for Reserve Component personnel with certain skills to reduce shortfalls in the Active component. We offer some qualified Reserve Component sailors the opportunity to convert to permanent Active Duty careers and compete for advancement while on Active Duty, and we continue to grant High-Year Tenure waiver requests for sailors who fill critical gaps at sea.

Officer continuation remains at historically high levels due, in large part, to targeted incentive pays and bonuses, improved mentoring, recent efforts to add flexible career options, and increased emphasis on life-work integration initiatives. However, specific Active Duty control-grade officer inventory shortfalls remain in select Unrestricted Line, Restricted Line and Staff Corps communities, including Aviation and nuclear-trained Surface Warfare Officers. We are actively attacking these shortfalls through targeted incentives and other retention tools.

Recruiting (Enlisted): The sailors we have in the Navy today are the best we have ever seen. Our success is largely due to inclusive diversity recruiting practices and Science, Technology, Engineering, and Mathematics (STEM) outreach. Strategic partnerships with STEM-related affinity groups, and engagements with high school and college students, have heightened awareness of Navy service as a highly desirable career option, inspired the next generation of technically capable sailors, developed centers of influence that contribute to recruiting efforts, and further diversified the Navy. We remain vigilant as the unemployment rate drops below six percent, mindful of our limited marketing and advertising resources, and with an eye toward our ability to continue meeting all goals in an improving economy.

Recruiting (Officer): In fiscal year 2015, we achieved our Active component general officer recruiting goal. We continue to face challenges in achieving Reserve component general and medical officer recruiting goals, in part, due to strong Active Duty retention that significantly reduced the prior service pool—the source of most Reserve component accessions. In addition to the medical community, we face Re-

serve component challenges in aviation, Naval Special Warfare, Intelligence, and the Judge Advocate General Corps.

We continue to see significant interest in opportunities to serve through the United States Naval Academy (USNA) and Navy Reserve Officer Training Corps (NROTC), with the number of highly qualified applicants vastly exceeding the number of available appointments. All our officer accession sources continue to attract the finest applicants and graduate technically competent leaders for commissioned naval service.

Training: A pillar of our sailor 2025 initiative, which we call “Ready Relevant Learning”, transforms our legacy training architecture into an agile continuum of learning that supports an increasingly complex Fleet and our future sailors. While our current training is working, we see changes that will stress its continued effectiveness. First, the combination of emerging threats, complex missions and new technologies demand a growing number of recruits with high aptitude who can learn faster on the job and master new skills over a career. Second, in order to attract a diverse and educated work force, we must provide training opportunities delivered at the point of need, when and where a sailor is ready to learn. Finally, we must be more efficient with a sailor’s time by delivering training when they have the context and experience to apply the learned skills. Ready Relevant Learning delivers the right training at the right time—continual training in a mobile, modular environment to help ensure that knowledge is refreshed, renewed, and relevant to changing platforms or technologies. This provides Navy with the best-qualified and skilled personnel through resourcing efficiency and at a reduced time-to-train.

Education: Education offers an asymmetric advantage in developing leaders and instilling in them attributes necessary to innovate, adapt, and succeed today and in the future. As a strategic investment that enhances force effectiveness and supports fleet global operational excellence and dominance, education provides sailors with relevant knowledge, skills, and abilities; ties educational opportunities to leader development; and supports a career continuum framework of technical experts, joint warfighters and strategic leaders. Our education strategy explicitly links resource allocation to education investments in the highest priorities supporting operational primacy, and encompasses both on-duty and voluntary off-duty education opportunities. The development of critical thinking skills and problem-solving in complex environments are key components in achieving our education goals.

Professional Military Education: U.S. Naval Postgraduate School (NPS) and U.S. Naval War College (NWC) are designed to develop a resilient, knowledgeable and adaptable force. Both institutions develop members to meet future intellectual demands, and the diverse mix of Navy, other service, civilian and international students help build long-term relationships. NPS offers resident and non-resident degree and non-degree programs that develop a range of critical skills essential to winning in combat, engaging in peace and building the Navy of the future. NWC provides resident and non-resident Navy-specific Professional Military Education (PME) with embedded Joint Professional Military Education (JPME) that produces strategically-minded, critically thinking leaders who are skilled in maritime and joint planning and operations, and who are prepared to meet the demands of the uncertain and dynamic contemporary international security environment. Both institutions develop members of the force for the intellectual demands they will encounter, and assist in building key relationships through a diverse mix of students. The Navy Leadership and Ethics Center (NLEC), established at NWC in 2014, maintains responsibility for Leadership and Ethics development across the Navy. By charting the course for Navy leader development, NLEC sets the standard within the naval profession of arms. We demand our leaders to have self-reliance and independence, humility and integrity, discipline and resourcefulness, and trust and confidence. Leaders at all levels of our Navy must set the example by providing the purpose, direction, and motivation essential for successful mission accomplishment.

Voluntary Education/Tuition Assistance: Navy voluntary education provides excellent opportunities for academic, technical, intellectual, personal, and professional development of sailors and contributes to their overall readiness as well as to the quality of life for sailors and their families. The Tuition Assistance (TA) Program remains a top priority in support of Navy’s overarching Education Strategy, funding 100 percent of demand in fiscal year 2015 for sailors pursuing education while serving on Active Duty. Participants are encouraged to pursue education with a clear path to a degree or credential, and are expected to complete in-rate qualifications, exhibit Navy core values, maintain physical fitness, while achieving their education goals.

The Post-9/11 GI Bill is a U.S. Department of Veterans Affairs (VA) education benefit for qualifying veterans, Active Duty, and Selected Reservists. Members may transfer this benefit to eligible family members in exchange for a service obligation.

The ability to transfer unused portions of the Post-9/11 GI Bill to dependents is a highly recognized benefit and contributes to the morale of our force.

Credentialing and Licensure: The Navy Credentialing Program and Navy Credentialing Opportunities On-Line (COOL) website integrate closely with other Navy, Department of Defense, and Department of Labor (DoL) programs, including Defense Activity for Non-Traditional Education (DANTES) credentialing program, United Services Military Apprenticeship Program (USMAP), and Department of Veterans Affairs (VA) GI Bill, to help sailors meet license and credentialing requirements.

The Navy and Marine Corps Credentialing Opportunities On-Line programs recently merged to form the Department of the Navy (DON) COOL website, which averages 4.2 million hits per month and benefits both sailors and marines. DON COOL offers the opportunity to earn civilian certifications and licenses corresponding to their Navy ratings, designators, collateral duties, and out-of-rating assignments. Earning credentials assists sailors in successfully transitioning into the civilian workforce. Every Navy occupation has at least one professional credential available and we currently pay for over 14,000 credentials per year awarded to about 7,000 sailors.

IV. FORCE MANAGEMENT

We will shape the force to ensure we excel in the operational environment of today and tomorrow and remain within fiscal bounds. We want to retain our best and brightest—the Personnel System Modernization pillar of the sailor 2025 initiative will enable us to expand career choice and flexibility and better recognize sustained superior performance. While independent of the Department of Defense's Force of the Future initiatives, both create policies and career opportunities to attract and retain a highly talented workforce. The Enriched Culture pillar of sailor 2025 also seeks to create an inclusive culture to attract a force that reflects the society we serve, and builds toward a more family-friendly life-work balance, with the enablers to allow sailors to stay Navy. Effective force management includes continued growth of efforts to leverage diversity and support our women in service for a mission ready fleet.

End Strength: The President's fiscal year 2017 budget request supports Active end strength of 322,900 and selected Reserve end strength of 58,000. We have maximized efficiencies within the military billet base and seek to stabilize Active component end strength at approximately 323,100 Active, and 58,900 Selected Reserve by 2021, as the appropriate end strength for Navy's projected force structure. We are carefully monitoring force management efforts to ensure that we meet end strength requirements within fiscal constraints, as we continue to fine tune the health of the force.

In the current environment, the demand for Navy operating Forces and Navy Active component manpower, capability and capacity are not abating. In many cases, there have been significant increases in demand for Naval Forces. We strive to continue to meet fleet demand, while delivering proper force balance/mix, and improving Sea/Shore balance. Ready Reserve sailors are Navy's primary source of mobilization manpower and surge operational support. Maintaining the appropriate levels and types of sailors in the Reserve Force allows for the needed operational capacities and strategic depth to meet Total Force requirements. Our flexibility, responsiveness, and ability to serve across a wide spectrum of operations enhance the Navy Total Force.

Compensation: We demand much of our sailors, and in return, they receive appropriate compensation. Over the past 13 years, pay raises, elimination of out-of-pocket housing expenses, TRICARE for Life and enactment of the post-9/11 GI Bill, have yielded the most generous total military compensation package in history and compares favorably with the private sector. This has allowed the Navy to continue to succeed in recruiting and retaining the high quality, All-Volunteer Force, despite over a decade at war.

However, in the current fiscally constrained environment, reducing personnel costs is essential to achieve a proper balance of compensating the force, with costs for training and equipping them. We expect to meet recruiting and retention requirements, despite slowed growth in regular military compensation, as we continue judiciously applying targeted special and incentive pays.

Women in Service: America's All-Volunteer Force requires that the U.S. military have access to every talented American who can add strength to the force. To be effective in our mission against today's and tomorrow's threats, we have to be postured to benefit from the best people our nation has to offer. For that reason, the Navy did not request any exemptions to the Department of Defense policy on open-

ing combat positions to women; all Navy occupations, including previously closed Sea, Air, Land (SEAL) and Special Warfare Combatant-Craft Crewmen (SWCC), are open to women.

We believe that everyone should be offered the chance to serve in any occupation in the Navy—regardless of gender—as long as they are able to meet the standard. With women representing 18 percent of our Navy force, they will become an even more critical part of our warfighting team, serving side-by-side in the most challenging combat roles. The Navy has successfully integrated women into aviation, surface ships, submarines, and riverine Forces, as well as other small, high-risk operations teams like Explosive Ordnance Disposal and Navy Divers. We know how to integrate—it starts on day one of training with leadership reinforcement of team building behaviors. Our goal is to ensure that the best-qualified and most capable sailors carry out our mission. The Navy is the best we have ever seen. We aim to make it even better.

Leveraging Diversity: As the world becomes increasingly globalized and our nation more diverse, our ability to attract, recruit, develop, employ, and retain talent and experience from the entire population is essential to mission success. The 2010 U.S. Census projects that by 2020, racial/ethnic groups, other than white non-Hispanics, will comprise over 40 percent of the recruiting market, with increasing minority representation over time. Navy’s ability to access and retain the talents of every component group in our society has a direct impact on mission success at home and abroad. We want men and women who are right for the right job, regardless of race, gender, sexual orientation, creed, or hometown. It is important that we not think, act, and look the same. The strength of our service is our diversity—it is our asymmetric advantage.

V. FORCE RESILIENCY

Under the Enriched Culture pillar of sailor 2025, we continue to focus efforts on improving sailor toughness while promoting a culture of respect and total fitness to prevent destructive behaviors. Our 21st Century sailor initiatives make clear the value we place on the well-being, safety, and health of sailors. We will create and maintain a positive command climate where sailors have access to the services they need from the Navy. Most importantly, we will continue to care for our sailors and their families—the foundation on which our Navy is built.

This year, we launched our “Chart the Course” training campaign to emphasize and reinforce positive behaviors, personal responsibility and peer support. This training uses scenario-based videos and facilitator led discussions to provide engaging, interactive discussion among peer groups. Among many topics included in the training are sexual assault and harassment, alcohol awareness, and retaliation against sailors who report or are victims of destructive behaviors. Our best sailors want to be held accountable, and this training reinforces that.

Suicide Prevention and Operational Stress Control: Combating suicide is an all hands evolution, all the time. Suicide Prevention efforts empower sailors to be psychologically healthy, adaptive, and mission ready by providing information, training, tools, and policies to reduce suicide risk. A comprehensive four-prong approach envelops training, intervention, response, and reporting, to ensure a support network and skills needed to thrive, not just survive. Navy Operational Stress Control is the foundation of our suicide prevention initiatives, supporting the fleet with resources to navigate the stressors and challenges commonly associated with Navy life, to help sailors build resilience and maintain personal readiness. We are currently managing six Operational Stress Control mobile training teams, which deliver resiliency lessons to ships, squadrons, and submarines before overseas deployment. We also hired resiliency counselors to deploy with our largest concentration of sailors onboard ‘big deck’ ships. These counselors are civilian, credentialed, clinical professionals who go to sea alongside extant teams of chaplains, behavioral psychologists and other medical professionals who proactively assist sailors each day. In addition, we have another program of credentialed, clinical, civilian counselors that make up the Psychological Health Outreach Program (PHOP) that ensures our Navy Reserve sailors have full access to appropriate psychological health care services, to increase resilience, and to facilitate recovery, which is essential to maintaining a ready military force. We want to create a Navy culture that rewards preventative actions, recognizes seeking help as a sign of strength, and reintegrates those treated for stress-related issues back into the command.

Sexual Assault Prevention and Response (SAPR): We are committed to reducing, with the goal of eliminating, sexual assault from within our ranks. In fiscal year 2015, we continued efforts at creating a culturally aware and educated sailor in an environment intolerant of sexual assault, supported by a well-defined prevention, re-

porting, investigation, military justice, and victim advocacy program. This year, the Chief of Naval Operations announced five new initiatives to advance our efforts of eradicating sexual assault in the Navy. They include:

1. A Shipmate is not a “bystander.” If you see something wrong, do something right.
2. Establish Counselors within the Fleet and Family Support Centers as a resource for victim support.
3. Improve our personnel management practices and procedures, following a sexual assault experience.
4. Continue our efforts to educate sailors and reduce alcohol abuse in the Navy, particularly binge drinking.
5. Better utilize technology to remove cultural barriers and stigma associated with reporting a sexual assault or seeking advice and counsel.

In addition to these initiatives, Navy is part of a team effort that includes the other Services to attack retaliation by better understanding the prevalence of the types of retaliatory behavior, including reprisal, ostracism, and maltreatment.

Command Climate: Every sailor deserves to work in an environment free of discrimination, sexual harassment, fraternization, and hazing. Sustaining a good command climate is vital to achieving and maintaining mission readiness and is an essential element of commander accountability. Yet providing a positive command climate in the Navy is not only the commander’s responsibility, but also the responsibility of every sailor within that command. Sailors are trained and encouraged to intervene where good order and discipline is breaking down, giving them ownership of the type of environment in which they want to work.

Alcohol and Substance Abuse Prevention: Navy Alcohol and Drug Abuse Prevention (NADAP) programs support enhanced Fleet, Family, and Personal Readiness through aggressive alcohol abuse and drug abuse prevention. Substance abuse puts lives and missions at risk, undercuts unit readiness and morale, and is inconsistent with Navy’s ethos and core values of *Honor, Courage and Commitment*.

The “Keep What You’ve Earned” campaign seeks to encourage responsible drinking among sailors by celebrating the achievements in their Navy careers. Through recognition of their hard work and dedication, sailors see their accomplishments and how much they have to lose if they make poor choices.

Navy’s policy on drug abuse is “zero tolerance.” Detection, deterrence, and prevention are key elements in combating drug abuse. We recently expanded our urinalysis program to detect prescription drugs and synthetic drugs. As a result, detections of wrongful prescription drug use have climbed, while positive synthetic drug results have declined. In response, Navy launched the “Prescription for Discharge” campaign to educate sailors on the proper use of prescription drugs. Our goal is to provide sailors with the support network, health care, and skills needed to overcome adversity and make responsible decisions.

Fleet and Family Support: Fleet and Family Support programs are a critical component in enhancing mission readiness and Navy’s 21st Century Sailor initiative. Family support programs assist commanding officers, sailors and their families to manage the unique demands of the military lifestyle, balancing military commitment with family life. Navy Fleet and Family Support Centers ensure military families are informed, healthy, and resilient through robust programs to include relocation assistance, non-medical and family counseling, personal and family life education, personal financial management services, information and referral services, deployment assistance, domestic violence prevention and response services, exceptional family member liaison, emergency family assistance and transition assistance. Navy child and youth programs provide the highest quality childcare, ranked number one in the nation for quality standards and oversight. Navy morale, welfare, and recreation programs provide core fitness and recreation for sailors and their families to enhance quality of life and encourage life-long positive and healthy leisure pursuits. As part of the Navy Talent Management Initiative, we are extending our hours of operation at fitness centers and child development centers to retain our most talented sailors and maintain readiness to meet fleet requirements.

Transition Goals, Plans Success (Transition GPS): Transition GPS replaced the 20-year-old Transition Assistance Program (TAP). The development and implementation of this initiative to extend the continuum of care to retirement, and well beyond, was a collective effort involving all military services. Created by the Office of the Secretary of Defense, with full participation by the Department of Veteran’s Affairs, Department of Labor, and the Small Business Administration, Transition GPS increases sailors’ abilities to overcome challenges they may face in pursuit of their chosen civilian career path. Participation is mandatory for all Active and most Reserve component members separating after having served 180 days or more of con-

tinuous Active Duty. Commands are required to document participation and completion of core elements via the Defense Manpower Data Center on-line tool.

VI. CONCLUSION

Our mission remains to attract, recruit, develop, assign, and retain a highly-skilled workforce for the Navy. The President's fiscal year 2017 budget request supports the critical programs that will continue to support Navy MPT&E programs, and support programs that bolster sailors and their families and increase their resilience. I look forward to working with you as we continue to shape the Navy to meet current and emerging requirements. On behalf of the men and women of the United States Navy, and their families, thank you for your sustained commitment and unwavering support.

STATEMENT OF LIEUTENANT GENERAL MARK A. BRILAKIS, USMC, DEPUTY COMMANDANT FOR MANPOWER AND RE- SERVE AFFAIRS, UNITED STATES MARINE CORPS

General BRILAKIS. Chairman King—excuse me—Chairman Graham, Ranking Member Gillibrand, Senator King—sir, I just did not want to leave you out.

[Laughter.]

General BRILAKIS. It is my privilege to appear before you today to discuss your marines. Marines are the foundation of the Marine Corps. They are the Corps' most sacred resource and always will be. Marines are recruited, educated, trained, and retained in order to answer the Nation's call to fight and to win. Everything we do in the Marine Corps must contribute to their readiness and combat effectiveness.

The Marine Corps is in the final year of our drawdown. We have accomplished this drawdown primarily using voluntary separation authorities, and we appreciate the support of Congress and especially this subcommittee for those flexibilities that you have given us.

Overall, recruiting and retention are strong. We are bringing in and keeping young men and women of character whose past service and future potential makes the Corps stronger.

These marines are supported by our civilian workforce, approximately 95 percent of whom do not work in Washington. They work on our bases, stations, depots, and installations. They serve alongside our marines throughout the world in every occupation and at every level. Our civilians have truly showed themselves to be *semper fidelis* as they keep our marines and their families forefront in their actions and efforts. For that they have my personal admiration.

It is imperative that we continue to keep faith with our military and civilian workforce, else we risk losing enormously talented and dedicated professionals. By ensuring that we take care of all marines and their families and our civilian personnel, we fulfill our responsibility to keep faith with the honor, courage, and commitment they have given to this Nation.

Thank you very much for the opportunity to present this testimony. I look forward to answering your questions.

[The prepared statement of General Brilakis follows:]

PREPARED STATEMENT BY LIEUTENANT GENERAL MARK A. BRILAKIS

INTRODUCTION

Chairman Graham, Ranking Member Gillibrand, and distinguished Members of the Subcommittee, it is my privilege to appear before you today to provide an overview on Marine Corps personnel.

Since our founding in 1775, Marines have answered our Nation's call, faithfully serving the American people and maintaining a world class standard of military excellence. Your Marine Corps is, and will continue to be, our Nation's expeditionary force in readiness. We will be ready to rapidly respond to crises around the Globe to ensure the continued security of the American people and to protect the interests that underpin our Nation. Marines will be always faithful to the trust which the American people have vested in them.

OUR PEOPLE

Marines are the foundation of the Marine Corps. They are the Corps' most sacred resource, and always will be. Your marines are recruited, educated, trained, and retained to win our Nation's battles. They are smart, resilient, fit, disciplined, and able to overcome adversity. Recruiting high quality youth and retaining those whose past service and future potential makes the Corps stronger is our highest priority. Everything we do in the Marine Corps must contribute to their combat readiness and combat effectiveness.

END STRENGTH

Your Marine Corps is in its final year of drawing down Active component end strength from a high of 202,000 in 2010 to a steady-state strength of 182,000. We have accomplished this drawdown using primarily the voluntary separation authorities you have granted us. We appreciate the support of Congress, especially this Subcommittee, for those flexibilities. They have been instrumental in enabling us to "keep faith" with our marines. We have used only a few targeted involuntary measures and only for individuals who were eligible for early retirement. We do not foresee needing any additional force shaping authorities.

Even though our end strength goals plan for a steady-state 182,000 force, most of the force shaping authorities you have given us will remain relevant and utilized. These measures will continue to help us right-size MOSs (Military Occupational Specialities), reduce promotion pin-on times, and eliminate grade stagnation.

MARINE CORPS RESERVES

The Marine Corps Reserve is nearing completion of its drawdown. The plan is to reduce Reserve end strength to 38,500 marines by fiscal year 2017; we foresee no challenges in meeting this fiscal year 2017 goal. In fact, the Marine Corps Reserve has grown stronger despite the end strength reduction.

Our Reserve unit personnel readiness stands at its highest level in a generation. Higher enlisted retention rates have been integral to our success. Retention has increased by 3-percentage points over the past five years—that equates to approximately 250 more marines per year. Better retention has helped fix many of our staffing shortages across Marine Forces Reserve. For example, our Staff NCO (non-commissioned officers) manning has increased from 66 percent in September 2013 to 82 percent as of January 2016.

While these are welcome and positive trends, we always look for ways to improve personnel readiness. We have implemented a comprehensive manpower management plan to provide full service support to our Reserve officers and Staff NCOs for their career management. Beginning in fiscal year 2017, we will expand this plan to provide full-service manpower management support for the entire Selected Reserve. This is a talent management initiative that will help our NCOs, Staff NCOs and officers transition between commands and provide our Active and Reserve units with the "right marine, at the right place, at the right time."

Our Reserve officer staffing is healthy as well. In fact, it reached a record high of 88 percent in February 2016. This increased staffing has been driven by two major sources: officers transitioning from the Active Component and the Reserve Officer Commissioning Program. Bonuses and incentives have been effective in attracting more marines from the Active Component. For instance, our Aviator Retention Pay incentive has had a direct and positive impact on our squadron staffing rates, which have increased by 14 percent since 2013. Additionally, the Reserve Officer Commissioning Program has produced a total of 1,107 lieutenants for the Marine

Corps since its creation in 2006. As a result, our ground company grade officer strength has increased from 21 percent in 2013, to 90 percent today.

RECRUITING

All recruiting efforts for the Marine Corps (officer, enlisted, regular, Reserve, and prior-service) fall under the purview of the Marine Corps Recruiting Command. Operationally, this provides us with tremendous flexibility and unity of command, facilitating all efforts to meet accession requirements. The Marine Corps applies, evaluates, and refines proven, time-tested officer and enlisted recruiting policies and procedures that enforce and maintain high mental, moral, and physical standards of our applicants, such as SAT (Scholastic Aptitude Test), ACT (American College Testing), and ASVAB (Armed Services Vocational Aptitude Battery) testing; pre-enlistment physical screening and fitness tests; and background checks and pre-enlistment screening.

Last fiscal year, we successfully achieved all enlisted and officer recruiting goals for both the Active and Reserve Components, and completed the year with a fiscal year 2016 start pool of nearly 55 percent.

For fiscal year 2016, our enlisted mission is 30,500 regulars (active component) and 5,105 reservists. We expect to achieve our annual recruiting 'shipping' mission (i.e. new accessions sent to recruit training) and quality goals. The Department of Defense requires 90 percent of enlistees to have a high school diploma or equivalent; last year, the Marine Corps achieved 99.9 percent and expects to be at or near this level for fiscal year 2016.

Our officer accession mission for fiscal year 2016 is 1,500 Active Duty and 90 Reserve officers. We are well on our way toward these goals and foresee no issues meeting them.

Incentives, such as our enlistment bonuses, allow us to ship new recruits at critical times to balance recruit loads at the depots and meet school seat requirements. It is important to note that only eight percent of new Marine Corps recruits receive an enlistment bonus. We appreciate Congress' support for these priority programs that assist our keeping high quality marines.

To meet future challenges in the current recruiting environment, it is imperative that we maintain our high standards both for our recruiters and those who volunteer to serve in our Corps. Recruiting quality youth ultimately translates into higher performance, reduced attrition, increased retention, and improved readiness for the operating Forces. Our actions, commitment, and investments today in recruiting ensure a high state of readiness in our Corps tomorrow.

RETENTION

As the Marine Corps draws down to a steady-state 182,000 force, competition for retention will continue. We will retain the very best marines capable of fulfilling our leadership and operational needs. This is accomplished through a competitive career designation process for officers and a thorough evaluation process for enlisted marines, both of which are designed to measure, analyze, and compare our marines' performance and accomplishments.

Marine Corps retention models, systems, policies, and processes emphasize consistency of leadership, personnel stability, and sustained readiness across the force. Officer career designation incorporates a board system that enables leadership to examine officer records and accomplishments. After designation, the promotion process continues the evaluation of marine officers. It is a primary tool by which retention of only the best and most qualified is achieved.

Tiered rating system for enlisted marines takes into account a number of quantifiable performance factors and includes both immediate and higher leadership input. It helps to set achievable goals for marines as they compete for retention. After initial reenlistment, the evaluation and continued retention of high quality enlisted marines is supported by a detailed and continual performance evaluation system which is fully integrated with the promotion process. Those marines with the best proven records are promoted and retained.

Incentive pays remain critical to our retention effort, allowing the Marine Corps to fill hard to recruit positions, such as cyber security technicians and counter intelligence specialists. Similarly, Selective Reenlistment Bonuses (SRBs) allow us to shape our career force. SRBs target critical MOSs and supports lateral movement of marines to these MOSs.

MARINE CORPS INTEGRATION

As our Commandant recently testified, executing a successful gender integration plan will be a key to sustaining readiness, as well as ensuring we give all marines

the greatest opportunity to succeed as valued members of the Corps. The issue of gender integration is not about “women in combat,” since women in our Corps have clearly demonstrated their outstanding service in combat, most recently in Iraq and Afghanistan. Our current efforts are about placing the best and most fully qualified marines where they can succeed and make the strongest contribution to the missions the Marine Corps executes as the Nation’s expeditionary force-in-readiness.

During the last two years, the Marine Corps undertook a comprehensive research effort to better understand the impacts of gender integration on combat effectiveness and health of the force. Our research analyzed the performance of individual marines in our formal MOS-producing ground combat arms courses. As a result, we developed, refined, and implemented improved occupation-specific physical standards and the associated screening tools for obtaining these MOSs.

But the individual is only one aspect. The Marine Corps fights in teams—as units—in an arena where strength and speed win and second place is truly an unforgiving prize. Therefore, we studied both gender integrated and non-integrated units, operating as squads, teams, and crews; and we did this under live-fire conditions that most closely replicate actual ground combat conditions. This is the first time this level of research has been conducted. Our study was peer-reviewed by three well-respected, independent organizations to ensure diversity and depth of feedback regarding the research methodology. The female volunteers for this study were quality marines in every respect; physically, they were well above the average female marine in the fleet. The most significant findings were the large disparity in performance during movement under load—both marching and firing weapons.

Currently, the Marine Corps is stepping out smartly to facilitate the integration of all qualified marines into previously closed ground combat MOSs and units. Integration will be executed in a well-planned and responsible manner. The framework of our research was—and continues to be—viewed through three interrelated lenses: first and foremost, the combat effectiveness of our marine units; second, the health and welfare of our individual marines; and finally, with an eye toward the best talent management of our total force—both today and into the future. I continue to have concerns in all three areas, but am confident that our assessment and subsequent adjustments during implementation will help us find the best way forward. Our readiness and combat effectiveness will remain the guiding focus as we implement our plan.

CIVILIAN MARINES

Our civilian marines support the mission and daily functions of the Marine Corps and are an integral part of our Total Force. They exemplify our core values; they embrace esprit de corps, teamwork, and pride in belonging to our Nation’s Corps of Marines. Serving alongside our marines throughout the world, in every occupation and at every level, our civilian appropriated funded workforce remains by far the leanest of all services, with a ratio of one civilian to every ten Active Duty marines.

Approximately 95 percent of our civilians do not work in the Washington, DC, region. The vast majority reside at our bases, stations, depots, and installations. Sixty-eight percent are veterans who have chosen to continue to serve our Nation; of those, thirteen percent are disabled veterans. Our civilian non-appropriated funded workforce steadfastly continues to provide vital support to our marines, Reserve marines, their families, and our wounded, ill and injured.

Already lean, we are in the midst of reducing our 17,500 civilian marine appropriated fund workforce to 15,800 by fiscal year 2017, and are working to implement the Management Headquarters Activities provision in the fiscal year 2016 NDAA. We are actively seeking ways to achieve these goals through attrition and various voluntary workforce-shaping flexibilities; our intent is not to implement any service-wide reduction in force (RIF).

The last few years have not been easy on our civilian marines, with limited pay raises and furloughs or threat of furloughs several times. Throughout all of this uncertainty, our civilians have truly showed themselves as *Semper Fidelis* as they kept our marines and their families in the forefront. For that, they have my personal admiration. During these challenging times, it is imperative that we continue to keep faith with our workforce, else we risk losing enormously talented and dedicated professionals. Our civilian labor represents less than five percent of the Marine Corps’ total O&M budget, demonstrating that our “best value” for the defense dollar applies to our civilians as well as our marines.

FORCE OF THE FUTURE INITIATIVE

The Marine Corps is in the midst of the Department of Defense Force of the Future Initiative. The initiative touches on nearly all aspects of military and civilian personnel systems. In many cases, the changes driven by this initiative codifies what has been existing service practices. In all cases, we continue to advocate for service flexibility which enables the Marine Corps to enhance our human resource processes without impacting our ability to execute title 10 responsibilities.

TAKING CARE OF MARINES AND THEIR FAMILIES

Taking care of marines and their families is a key element of overall readiness and combat effectiveness. The adage “we recruit marines, we retain families” remains as true today as ever. Our comprehensive package of services seeks the holistic fitness and readiness of our marines and families—body, mind, spirit, and social.

CASUALTY ASSISTANCE

The most solemn care we can provide to our marine families is to care for our fallen marines and assist families at every step. We strive to do just that. Despite the drawdown from combat operations, casualties are still occurring daily. Even while not in a combat theater, the mass casualty incidents in Nepal, the Chatanoga shooting, and training incidents in Florida and Hawaii prove over and over again that being our Nation’s expeditionary force in readiness has its share of risks.

Our casualty assistance program is committed to ensuring the families of our fallen are always treated with the utmost compassion, dignity, and honor. Our uniformed Casualty Assistance Calls Officers (CACO) make in-person notifications to the Next-Of-Kin (NOK), often with a Chaplain, for all deceased marines; telephone notifications are made for the wounded, ill, and injured. When warranted, family members may travel to bedside via Invitational Travel Orders. Following notification, CACOs assist the NOK with burial arrangements, applications for benefits and entitlements, contact with benevolent and philanthropic organizations, obtaining reports of investigation, and other pertinent issues.

The Marine Corps Long Term Assistance Program (LTAP) is a permanent resource of the NOK, ensuring they receive sustained, quality assistance from the Marine Corps. This includes NOK being contacted from a representative from LTAP approximately 60 days and at one year mark following the death to identify and resolve any persistent issues and to assist and attend to the needs of Marine Corps Survivors indefinitely. LTAP representatives also routinely attend quarterly DOD/VA Survivor Forums and TAPS National Survivor and Good Grief Camps.

WOUNDED WARRIOR CARE

The Marine Corps’ Wounded Warrior Regiment (WWR) continues to function as a central pillar of our pledge to “keep faith” with those who have served. The WWR will be an enduring need because marines supporting operations in or near combat zones will continue to need care management; instances of PTS (post-traumatic stress disorder) and TBI (traumatic brain injury) continue to increase due to delayed onset and as marines often delay seeking help; and severe non-combat illnesses, such as cancer, do not end with combat.

Our WWR remains committed to providing comprehensive recovery care. For the Marine Corps, recovery care is not a process. Care coordinated through the WWR is soundly based upon an authentic relationship between care providers and the marine and his or her family members. This bond allows all parties to be vested in a common purpose: to provide our Nation’s wounded, ill and injured (WII) marines the care and support needed for successful recovery and to ensure they and their families transition to meaningful, productive new roles.

Since our WWR was established in 2007, thousands of WII marines and family members have benefitted from its care coordination capabilities. These capabilities include Recovery Care Coordinators to help WII marines develop and execute Comprehensive Recovery Plans, District Injured Support Coordinators, the Marine Corps’ representatives for WII marines in their civilian communities, who can be at a WII marines doorstep in a matter of hours, a liaison to the Department of Veterans Affairs to enhance coordination between the organizations, and the Sergeant Merlin German Wounded Warrior Call Center to conduct outreach to WII marines and receive calls for assistance. Our call center conducts an average of 10,500 outreach calls per month and receives an average of 1,100 incoming calls for assistance per month. The call center can also connect a marine directly to a medical professional who may direct or advocate for behavioral health/medical care.

In sum, WII marines and their family members receive customized, caring support, based upon their assessed needs, from the point of injury or illness, through rehabilitation, and finally as they return to duty or reintegrate to their hometowns. The Marine Corps does not utilize a “fire and forget” mentality. marines and their families, the Congress, and the public at large can be reassured that the Marine Corps, through the WWR, will continue recovery care in times of war and in peacetime.

BEHAVIORAL HEALTH

The Marine Corps Behavioral Health Program acts as an integrated community based service model focused on the prevention and intervention of suicide, substance abuse, combat operational stress, and family advocacy. When addressing behavioral health care, we typically see marines, family members, and others, with multiple stressors or conditions. Even as the Marine Corps moves into a post OIF/OEF (Operation Iraqi Freedom/Operation Enduring Freedom) environment, continued support ensures the readiness of our marines and their families, especially for those with delayed onset of symptoms.

Because behavioral health issues are complex and contain many common stressors and factors, the Marine Corps has incorporated a holistic view of prevention. For example, the Marine Corps introduced “*Protect What You’ve Earned*” which reinforces the Marine Corps culture of leadership through personal action and accountability. Through it, we seek to reduce high-risk decision-making thereby reducing sexual assault, domestic violence, suicide, alcohol and other substance misuse-related incidents.

To support our marines, attached sailors, and families, the Marine Corps offer world-class prevention and counseling services at each installation. All behavioral health programs provide free confidential services offered by licensed, credentialed professionals. Professionals conduct comprehensive assessments and individually-tailor counseling sessions to address substance abuse, relationship difficulties, domestic violence, child neglect and other stress related concerns before more serious conditions develop. These services are available to individuals, couples, families and children.

SUICIDE PREVENTION

One of the highest priorities of our behavioral health program is suicide prevention. Preventing suicide has proven to be a very challenging task given the complex nature of the problem. We are constantly evolving and assessing our programs to coincide with best practices.

A main focus of our suicide prevention efforts is the Marine Intercept Program (MIP). It is a combined effort between HQMC (headquarters Marine Corps), installation Community Counseling Programs, and commanders. MIP provides care coordination, regular telephone check-ins and suicide assessment for marines with a reported suicidal ideation or suicide attempt. MIP is a “super safety net” for marines identified at increased risk for suicide. Services include continuous assessment and safety planning as well as a series of caring contacts for a minimum of 90 days.

In 2015, 1,247 reports of suicide ideations or attempts were reported and assigned to MIP. Of the total marines offered MIP, 77 percent accepted services. Based on a preliminary review of early MIP data in 2014, Marines receiving MIP services accessed care 2.5 times sooner, miss fewer appointments and engaged specialty care more often.

The Marine Corps *DSTRESS* line provides anonymous, 24/7/365 phone, chat and Skype support with a duty to warn if danger is imminent. Since its inception in 2010, *DSTRESS* has helped save 36 lives; it also helps to increase the total fitness of our Marine Corps families by providing live support for effectively coping with the wide spectrum of challenges of life in the Corps. Marines contact *DSTRESS* for varying reasons including relationship issues, stress management, post-traumatic stress, depression-suicidal ideation, and sexual assault.

In order to leverage the power of social media, the Marine Corps recently launched a marketing awareness campaign addressing suicide prevention. The main message is to highlight the trend of individuals expressing suicidal thoughts on social media and detail what steps to take if someone is in emotional distress. The social media posts highlight the *DSTRESS* Line, and instruct individuals to use Facebook’s Suicide Prevention Tool to report concerns. To date, almost 300,000 individuals viewed and shared these posts, resulting in an 800 percent increase in traffic to the *DSTRESS* website in a 2 day period beginning on 12 January 2016. More such social media posts are being planned.

One of the newer initiatives we are introducing is Conquering Stress with Strength. It is workshop that focuses on family members under stress. This is the first available, family-focused training to develop family skills for appropriately responding to high-stress situations.

SEXUAL ASSAULT PREVENTION & RESPONSE

We will not be satisfied until sexual assault is eliminated in the Marine Corps. We are encouraged by fiscal year 14 survey data indicating a 30 percent decrease in the prevalence of unwanted sexual contact since fiscal year 12. In that same time period, there was a 94 percent increase in the number of victims coming forward to report. While the next prevalence survey will not be fielded until the end of fiscal year 2016, preliminary fiscal year 15 data show that we have sustained our levels of reporting. In addition, from fiscal year 14 to fiscal year 15, we saw an increase in the number of victims filing unrestricted reports, which demonstrates increased confidence in our response system and in commander support. Another positive trend is that more victims of sexual assault are reporting the crime within three days of the incident, placing the Marine Corps in a better position to hold offenders appropriately accountable by facilitating more timely investigations.

Male victims are an extremely underreported population. The Marine Corps is developing a more in-depth knowledge of the factors that influence the reporting decision among male marines who experience sexual assault. We are integrating specific information on male victims in our prevention education and training. Significantly, we have posted five products addressing male victimization on official Marine Corps social media pages, reaching a combined total of more than one million people. SAPR (Sexual Assault Prevention Response) is also hosting a subject matter expert panel on male victims of sexual assault in April 2016 to inform our prevention practices and program development. From fiscal year 14 to fiscal year 15, the number of male victims filing reports increased slightly, a positive indication for this population that has been reluctant to report.

The Marine Corps takes allegations and acts of retaliation very seriously. Retaliatory behavior—whether on duty, on liberty, or online—is unconscionable and should never be tolerated. We are taking a number of actions to address this problem. For example, our Sexual Assault Response Coordinators and SAPR Victim Advocates are trained to ask victims about experiences of retaliation during their monthly safety check-ins. In addition, our case management group chairs are required to assess all reports of retaliation in their monthly meetings, ensuring that they are properly referred for resolution. We have also posted social media products that specifically address retaliation which have reached more than 341,000 people. In addition, steps are underway to integrate retaliation into SAPR training products for all marines. The message is clear: If a marine reports misconduct or a crime like sexual assault, they deserve—as a fellow marine—to be treated with dignity and respect.

TRANSITION READINESS

As the Marine Corps has reduced its end strength over the last few years, more of our marines and their families have made the transition to civilian life. It is imperative that we ensure they have the right preparation to reach personal goals and effectively translate their military experiences to a successful civilian life.

Our Marine For Life Cycle is a holistic process, not an event. Beginning at the point of recruiting, the Marine Corps strives to provide a continuum of tangible learning or experienced-based opportunities to ensure that every marine is transition-ready throughout their career.

At their first permanent duty station, marines complete the personal readiness seminar. It provides an overview of personal and professional development services, such as family member employment, voluntary education, personal financial management, and servicemembers' rights.

Approximately a year prior to separation, marines complete our transition readiness seminar. It is a week-long program that includes mandatory standardized core curriculum followed by the choice of one of three additional two-day tracks that are in line with their individual future goals and objectives—higher education, career and technical training, or entrepreneurship.

No later than 90 days prior separation, marines will meet with their commanding officer for Capstone review. At this time, the commanding officer will validate whether the marine has met their career readiness standards. If a marine does not meet their career readiness standards or have a viable transition plan, we provide a warm handover to Department of Labor or Veteran Affairs partner agencies for additional post-transition assistance.

After separation, our nationwide network of Marine For Life representatives reach back to provide support to marines. In order to build a robust virtual community, we are currently expanding our network to include an online presence on LinkedIn, Facebook, and Twitter. Our goal is to have an online community and network of marines and friends of marines to help transitioning marines identify opportunities in the civilian marketplace.

One way to ensure that marines will be successful in transitioning is to ensure that their military skills and work experience can be transferred into a civilian job. The 2014 National Defense Authorization Act charged the Services to make credentialing information available to all members upon their initial training and at every stage of training in their MOSs. The Marine Corps Credentialing Opportunities On-Line (COOL) is part of that initiative. It links marines with certifications and licenses related to their Military Occupational Specialties across the continuum of the Marine For Life Cycle.

COOL is an open public website that is available and accessible to those currently serving, veterans, spouses, potential employers across all industries, enterprises, credentialing agencies, and associations. A credential translates Marine Corps technical skills into marketable language recognized by employers and may make the post service job search easier. Marines are able to choose from 943 certifications depending on their MOS or by the name of a specific credential or agency. Marines can also find general information on a myriad of resources to support their personal and professional development plans.

As of July 2015, the Marine Corps is paying for examination fees and annual maintenance for enlisted marines to earn civilian/industry credentials, which are closely aligned with the marine's MOS.

MARINE CORPS EXCHANGE SERVICES

The Marine Corps delivers a myriad quality of life programs via an integrated Marine Corps Community Services (MCCS) construct that combines Morale, Welfare and Recreation; Marine Corps Exchange (MCX); Warfighter and Family Services; and Child Development Programs. This integrated model is unique within DOD and provides many operating efficiencies, including consolidated non-appropriated fund back-office support, e.g. human resources, finance and accounting, procurement, construction and information technology.

Our MCX is an integral business component of MCCS delivering products and services in garrison and expeditionary environments. Marines and families can count on real savings when they shop at the MCX; the most recent market basket survey showed an average savings of over 24 percent, while maintaining a consistent gross margin. The military resale system is one of the largest employers of military family members, about 30 percent of the Marine Corps Exchange workforce is a veteran or a military family member. The MCX revenue contributions to MCCS remain an essential and mission critical asset to the Marine Corps.

Transformation and innovation is the fabric of MCCS as we continue to investigate new program and service delivery models by leveraging technology, partnerships, and sponsorships. The Marine Corps is also an active participant in the newly established Defense Resale Business Optimization Board chartered to seek efficiencies, while preserving the valued quality of life benefits provided by both commissaries and exchanges.

CONCLUSION

The marines of our Corps represent the American people who have stepped forward and sworn to defend and protect our Nation. Through recruiting, training, education, and retention of men and women of character who take up our challenge to become one of "the Few and the Proud," we will enhance the quality of our Corps and our overall combat effectiveness. By ensuring that we take care of all marines and their families, we fulfill our responsibility to keep faith with the honor, courage, and commitment they have so freely given.

Our individual marines are our most precious asset. They are proud of what they do. They are proud of the "Eagle, Globe, and Anchor" and what it represents to our Nation. With your support, a vibrant Marine Corps will continue to meet our Nation's call.

Thank you for the opportunity to present this testimony.

**STATEMENT OF LIEUTENANT GENERAL GINA M. GROSSO,
USAF, DEPUTY CHIEF OF STAFF FOR MANPOWER, PER-
SONNEL, AND SERVICES, UNITED STATES AIR FORCE**

General GROSSO. Chairman Graham, Ranking Member Gillibrand, Senator King, it is my honor as well to appear before you today representing our total force airmen and their families.

As airmen, our purpose is to ensure the Air Force can always provide America with global reach, global vigilance, and global power. However, 25 years of continuous combat operations, coupled with budget instability, and lower-than-planned top lines have made the Air Force one of the smallest, oldest, and least ready Forces in its history.

Despite all of this, our Air Force is powered by airmen with more talent and education than ever before. Today the 660,000 Active Duty, Guard, Reserve, and civilian airmen are a highly trained, experienced, and battle-tested force, standing as vanguards of freedom around the world.

As you are aware, our Secretary and Chief's top priority is taking care of airmen and their families. Airmen and their families are without question our most important resource, and our budget reflects this truth.

You are also aware that we have been downsizing in our Air Force for years, but this budget stops that decline and begins to upsize our total force to address a number of key areas, including critical career fields like nuclear, intelligence, cyber, maintenance, remotely piloted aircraft, and support officers.

We want to thank this committee for supporting our Active Duty plus-up, which is going to go roughly from 311,000 to 317,000 airmen by the end of this fiscal year. Given our current operations tempo, we certainly cannot sink below this number, and we believe that the mission demands will indicate that we need even more growth in fiscal year 2017.

The Air Force is committed to improving readiness by growing the force, and as such, the fiscal year 2017 budget funds increased accessions and expanded retention programs, invests in the student training pipeline and adds technical training resources, incentivizes retention of critical skills in undermanned specialties, maximizes total force airmen to meet mission demands, and most importantly, takes care of airmen and their families.

As we continue to rely on the all-volunteer force, we will make every effort to leverage the diverse talent from across our Nation. We want the men and women of this Nation to see the Air Force as an employer of choice where there are no artificial barriers to their success.

This is best illustrated in opening all of the remaining closed career fields to women, reinforcing our values that if you meet the requirements, you will have the opportunity to serve in any position.

In closing, thank you for your time today and your tremendous support and concern for our Nation's airmen. I look forward to your questions.

[The prepared statement of General Grosso follows:]

PREPARED STATEMENT BY

LIEUTENANT GENERAL GINA M. GROSSO

INTRODUCTION

Despite the last two decades of sustained conflict, the men and women of your Air Force are as dedicated as ever before. We have witnessed changes in the geopolitical environment that demand increased efforts from the Department of Defense in general and specifically the Air Force. Our airmen are fully engaged in every region of the world, in every mission area, and across the full spectrum of military operations.

Today the Air Force is as busy as it has ever been while also being its smallest. We have been downsizing for years but now we must upsize modestly in fiscal year 2016 our Total Force to address a number of key areas, including critical career fields such as intelligence, surveillance and reconnaissance, cyber, maintenance and battlefield airmen (e.g., Special Tactics Officer, Combat Controller, Combat Rescue Officer, Pararescue, Special Operations Weather and Tactical Air Control Party). Recognizing the strength we have yielded from our Total Force team, we continue our efforts to integrate our Guard and Reserve partners further.

Our airmen provide a strategic advantage over America's competitors and as an Air Force, we remain committed to supporting our airmen and their families to ensure they remain resilient and motivated. Our personnel programs are geared to attract the airmen of the future and retain our talented airmen, and their families.

DIVERSITY AND INCLUSION

Diversity and inclusion are national security imperatives and critical force multipliers for a military tackling complex challenges of geopolitical significance. Air Force senior leaders realize the importance of a diverse and inclusive force and we must ensure our airmen are representative of the diverse populace from which we draw our considerable strength. By ensuring the most talented, culturally competent, and operationally relevant force possible, we will be more agile, and able to meet nascent requirements quickly and decisively. The Air Force is conducting very deliberate planning for its diversity and inclusion efforts in 2016.

A transformational change must start with the Air Force's senior leaders. As such, we will establish standard unconscious bias training to help initiate a deeper understanding of potential barriers to success and as a bridge to operationalizing diversity and inclusion. In addition, to help engrain the importance and value of leveraging a diverse and inclusive force, the service is codifying and funding our Chief Diversity Officer positions at the major commands and direct reporting units. Further, we are establishing baseline education and training for our diversity and inclusion leaders across the Air Force to provide them with a sufficient foundation to chart a clear path for our diversity and inclusion initiatives.

Along with these efforts, we must also make certain we have access to the best and brightest our Nation has to offer. Subsequently, we are writing a National and Total Force recruiting strategy and implementation plan that leverages key strategic partnerships to create more effective access to diverse talent pipelines.

The diversity and inclusion mission is an ongoing, enduring requirement, incorporating self-awareness, organizational change and constant learning. Human beings are biased by nature, but using education, training and deliberate planning can provide an organization such as the Air Force with the tools necessary to combat bias and to create an equitable and inclusive working environment and culture. The Air Force's key diversity governance documents are being rewritten to reflect current Air Force strategy as well as to incorporate the Air Force imperative of inclusiveness.

END STRENGTH

The demand for airpower in today's military conflicts continues to increase. The fiscal year 2016 President's Budget (PB) resized Active Duty end-strength from approximately 313,000 to 317,000, and we have a deliberate plan to grow from our current inventory of 311,000 to 317,000 personnel by the end of fiscal year 2016. This growth addresses key capability gaps in the nuclear, maintenance, cyber, intelligence, surveillance and reconnaissance, remotely piloted aircraft and support career fields, ensuring the Air Force increases its ability to meet mission demands. Our fiscal year 2017 PB is strategy-driven and consistent with the previous year's proposal. The fiscal year 2017 budget cycle carried forward fiscal year 2016 end strength levels fully funding 317,000 across the Future Years Defense Program (FYDP), continuing our concerted effort to "right size" the force. Moreover, it offers

the best balance for America's current and future air, space, and cyberspace requirements at Bipartisan Budget Act (BBA)-level funding (\$43.4 billion) for military (\$28.4 billion) and civilian personnel costs (\$14.5 billion to include working capital fund and Research, Development, Test and Evaluation). The fiscal year 2017 budget submission also leveraged PB16 Total Force increases in both the Guard and the Reserve thus maintaining warfighting capacity while minimizing increases to Active Duty end strength. Subsequently, our request outlined a total military force of 491,700 comprised of 317,000 Active Duty, 105,700 Guard and 69,000 Reserve airmen.

Our civilian airmen are an integral part of the Air Force team and serve in almost every position imaginable, to include critical areas such as depot maintenance, science and technology, engineering, fire fighters and Air Reserve Technicians. Since 9–11 there have been many fluctuations in the civilian workforce size. Over the past 3-years, the Air Force civilian workforce increased approximately 14,000 positions in key areas including intelligence, surveillance and reconnaissance, cyber and nuclear.

However, we made significant progress with civilian reductions as well. Since fiscal year 2012, the Air Force has taken approximately 24,000 civilian reductions in response to Congressional actions. During this time period, we reduced 10,000 positions. Further, we will continue to drive civilian reductions moving forward, fully complying with the fiscal year 2016 NDAA 25 percent directed HQ reductions.

MILITARY FORCE MANAGEMENT

The Air Force has shifted force management from a reduction focus to a growth posture. To meet this increased end strength, we are focusing our force management efforts on bolstering accessions and increasing retention of our skilled workforce.

We are using multiple lines of effort to grow the force. We have increased accessions of enlisted airmen entering Basic Military Training and the numbers of officers being commissioned. In addition, we are retaining experience through robust and expanded special and incentive pays; bringing on prior service accessions; using Reserve Active Duty tour opportunities; and implementing High-Year-of-Tenure extensions.

Recruiting

Accessions are the building blocks of the Air Force. Subsequently, it is imperative that we maintain a strong focus on recruiting with a solid and proficient recruiter force, capable of responding to the ever-changing recruiting environment. Air Force brand recognition is an enduring requirement to ensure we have the opportunity to increase propensity to serve in the Air Force among the eligible youth population. Findings suggest that maintaining an all-volunteer force requires recruiting efforts to focus on reaching both youth with a long-term interest to serve as well as those that were not previously propensed. To affect both market segments, we must use advertising to change propensity, particularly among tougher segments of the population to recruit.

The recruiting budget includes funding for day-to-day operations, personnel costs and advertising activities necessary to the successful accomplishment of the recruiting mission. Budget actions, such as sequestration in fiscal year 2013, slowed or completely shut down key advertising and marketing events, which included the Air Force Thunderbird Aerial Demonstration Team, and delayed our national television campaign for fiscal year 2014, leading to missed "key spots" and diminished purchasing power.

Initial Enlistment Bonuses are critical to our recruiting efforts and are funded at \$16.1 million in the fiscal year 2017 PB; this program greatly assists in producing sufficient recruits to meet requirements for high-demand, chronically low manned career fields such as battlefield airmen and linguists. We successfully use this program to recruit youth into career fields that historically are hard to recruit and/or qualify for by awarding a monetary bonus as an incentive. The ability to recruit the right requirements at the right time for these unique demands without the Initial Enlistment Program would be threatened.

Retention

We are increasing our accessions and training pipeline to support the increased growth, but these new enlistees won't be seasoned for some time, thus retaining the experience we have is critical to our success in reaching target end strength. To address retention concerns, we are using robust and expanded special and incentive pays to retain experience; bringing on prior service accessions; using Reserve Active Duty tour opportunities; and implementing High Year of Tenure extensions. The Air Force weighed under manning, experience levels, retention trends and training costs

across all Air Force specialty codes in determining which career fields to target. Officer retention challenges exist for pilots, including remote piloted aircraft pilots, combat systems officers, special operators, intelligence, contracting, and select health professionals. For the enlisted force, specialties facing retention challenges include cyber defense, battlefield airmen, intelligence, explosive ordnance disposal, aircraft maintenance, and select nuclear enterprise specialties. The quick growth the Air Force is planning over the next two fiscal years requires a greatly expanded Selective Reenlistment Bonus program, increasing from 40 specialties in fiscal year 2015 to 117 in fiscal year 2016. This three-fold increase focused on retaining key experience while continuing our deliberate plan to grow our force, and we expect a similar size program in fiscal year 2017. Additionally similar to fiscal year 2016, the fiscal year 2017 Selective Reenlistment Bonus program further incentivises airmen by providing more money up front to reenlist and thus retains more experience during this time of growth. Our budgeted amount to execute this program is \$226 million.

Further, we are using High Year of Tenure extensions to retain key experience while growing the Air Force by 6,000 in fiscal year 2016. The High Year of Tenure program expanded from 38 Air Force Specialties in fiscal year 2015 to 122 in fiscal year 2016 and fiscal year 2017. This expansion, except where the specialties were fully manned, mirrors the Selective Reenlistment Bonus program. Additionally, High Year of Tenure expansion included specialties where the training pipeline was insufficient for the accession requirement; where specialties were undermanned in certain grades; and in areas needed to support the expansion of the aircraft maintenance enterprise.

Bonus and Pay Incentives

With national security threats increasing around the globe and emerging requirements continuing to evolve, it is critical that we invest in our current force to retain the experience to maintain and expand the Air Force's current capabilities. Special and Incentive pays are one of our most flexible and responsive force management tools. Accordingly, our fiscal year 2017 budget includes approximately \$927.4 million in Special and Incentive pays, which includes \$226 million in Selective Reenlistment Bonuses, \$12.3 million in Critical Skills Retention Bonus and \$87.5 million in Aviator Retention Pay. The Air Force will use these retention bonuses, along with the full suite of Special and Incentive pays, to surgically shape the force in low-retaining skills with a focus on maintaining the correct number of airmen by specialty and year group. The Air Force is offering Officer Critical Skills Retention Bonus programs for Special Tactics, Combat Rescue, Contracting, Intelligence officers and remote piloted aircraft pilots. Additionally, our Enlisted Critical Skills Retention Bonus programs are for the Tactical Air Control Party, Combat Controller, Pararescue and Explosive Ordnance Disposal career fields.

We appreciate the assistance in providing increased bonus and aviation pay for our remote piloted aircraft pilot force. With our get-well plan for our remotely piloted aircraft team underway, we are pleased to be able to compensate these aviators under the same authority as all rated career fields. The ability to use monthly Aviation Incentive Pay (flight pay) and Aviation Retention Pay, as authorized in the fiscal year 2016 National Defense Authorization Act, for remotely piloted aircraft pilots will surely bolster retention in this field. The Air Force is currently working with the Office of the Secretary of Defense to craft a policy allowing a full transition to these new authorities.

We ask for that same assistance with our manned rated force. The Air Force is experiencing the lowest pilot retention since 2002. In 2002, major airline hiring drove the retention rates to 47 percent, causing much concern for our service. Since then, we have maintained rated retention levels at or above 65 percent with our Aviator Retention Pay program. However, in fiscal year 2015 only 55 percent of the eligible pilots entered into a bonus agreement. With pilot retention decreasing, constrained pilot training pipelines are insufficient to train the required number of pilots to replace those not retained by the bonus. Of particular concern for the Air Force is the status of our fighter pilot inventory, currently undermanned at about 520 fighter pilots with the trend continuing downward. We continue to monitor closely and will request additional authorities and increases as are necessary.

Compensation Reform

The Air Force supports the Department's current posture on compensation, which is to continue to slow the growth of military compensation (other than retirement) pay and benefit costs in order to permit a balance in defense spending. Compensation reform is a fiscal necessity as compensation represents nearly half of the Department's budget. Although adequate compensation is a vital component of an air-

man's quality-of-life, it must remain in balance with readiness, capacity, and strategic capabilities necessary for the Air Force's future.

The Air Force must ensure that we maintain readiness and modernization. We are working closely with the Department to implement the direction in the 2016 NDAA on the blended retirement provisions while exploring other possibilities for strategic compensation reform. While we support the incremental out of pocket expense in housing allowances, we are concerned that any additional reductions in housing allowances will have negative effects in sustaining our current force and their families.

CIVILIAN WORKFORCE MANAGEMENT

During fiscal year 2015, the Air Force was successful in aggressively using pre-Reduction In Force tools to help posture the civilian workforce for minimal disruption from workforce management initiatives. We continue to manage the delicate balance of right sizing in accordance with Congressional and Department guidance and filling our allocated civilian vacancies. A round of Voluntary Early Retirement Actions and Voluntary Separation Incentive Pay was offered in Fall 2015 with an effective date of December 31, 2015. Of the 1,400 civilian overages identified, at the conclusion of the process, only 89 individuals were involuntarily separated. At the beginning of fiscal year 2016, a needs assessment identified 1,100 civilians as overages needing to be placed on funded authorizations. At the end of January 31, 2016, approximately 300 civilians still require placement and we expect that number to continue to decrease as we work the Reduction in Force process, which culminates on April 4, 2016. Another needs assessment for an additional round of Reduction in Force with an effective date of September 30, 2016 will be administered in March. We remain optimistic that pre-Reduction In Force efforts will ensure we minimize any involuntary separations. Additionally, we do not anticipate or expect any furlough adverse impact on our invaluable civilian workforce. This stability bodes well with our continued efforts to pursue executing our allocated civilian dollars and work years and to provide stability among all our civilian airmen looking into fiscal year 2017.

New Beginnings

The Air Force will transition approximately 131K employees to the New Beginnings Defense Performance Management and Appraisal Program in April 2017. We welcome this comprehensive and transparent multi-level performance management system that links performance expectations with organizational goals, provides for regular on-going feedback and allows meaningful distinctions in performance. It will move the majority of Air Force civilians from a 2-level pass/fail rating pattern to a 3-level rating pattern with the ability to rate performance elements as "Outstanding" and thus provide civilians meaningful distinctions in their performance. This shift in focus on communication and distinctions in performance allows the Air Force to realize fully a culture that embraces and supports a high-performing workforce. Additionally, it emphasizes the importance of employee engagement and places increased emphasis on leadership behaviors and supervisory responsibilities in an effective performance management system. The Air Force will be actively engaged over the next year in providing training to all impacted civilians as well as their military supervisors.

New Beginnings also includes initiatives focused on streamlining the hiring process, training for supervisors and managers, implementing effective means of recruiting, compensating, and incentivizing the civilian workforce with a focus on strategic workforce planning to shape an effective workforce for today and into the future.

ONE AIR FORCE

Total Force Integration and Continuum of Service

The Air Force is implementing a number of Continuum of Service programs and initiatives consistent with the National Commission on the Structure of the Air Force recommendations and aligned under the Air Force's Strategic Master Plan and Human Capital Annex governance structure. We continue to develop the structure and policies that allow for deliberate and purposeful transitions between the Regular Air Force, the Air Force Reserve and the Air National Guard.

Continuum of Service allows the enterprise to retain and preserve highly skilled personnel for a longer period by reducing transition barriers, incentivizing affiliation with Reserve components as well as lengthening the officer career trajectory for selected airmen. Along those lines, we have instituted and implemented policy changes and programs such as the Career Intermission Program and the Voluntary Limited Period of Active Duty Program. Additionally, a number of Continuum of

Service initiatives are underway within the Human Resource Management enterprise to include aviation retention pay options for part-time Reserve aircrew members and addressing Air Reserve Component retirement concerns in converting Active retirement for those that meet time and grade requirements.

The Air Force will continue to increase the integration and holistic management of the total force components; however, a true Continuum of Service will require legislative change to enable the seamless transition between Air Force components.

One Air Force AI

The Air Force's ultimate goal is to provide total force personnel policy to lower echelon headquarters and serve any airman, at any location, regardless of component or status. The Air Force's initial effort under the National Commission on the Structure of the Air Force's recommendation regarding integrated force management was to focus on establishing a single, integrated manpower, personnel and services organization.

The Air Force began co-locating Air Force Reserve and Air National Guard staff members within the Deputy Chief of Staff for Manpower, Personnel and Services organization on 1 October 2014 by phasing in three Active Guard Reserve officers as division chiefs. Transfer of personnel is ongoing using a phased approach with full operational capability in fiscal year 2017. Since initial operational capability in fiscal year 2015, two Memorandums of Agreements between the Deputy Chief of Staff for Manpower, Personnel and Services, the Chief of the Air Force Reserve and the Director of the Air National Guard have been written to outline and codify the implementation strategy. Twenty-eight specific positions have been attached or assigned across the Deputy Chief of Staff for Manpower, Personnel and Services organization to address personnel management processes to include, but not limited to, recruiting, assignments, force development, and force management.

Air Force Integrated Personnel and Pay System (AFIPPS)

An integrated Personnel and Pay capability is fundamentally required for the Air Force to operationally integrate into One Air Force. In May 2015, the Air Force communicated the decision to reassess our path toward integrated personnel and pay by looking at two alternatives—a new acquisition or optimization of our current capability. From that notification through December 2015, the Air Force employed a cross-functional team to refine a problem statement, garner Service lessons learned along with industry benchmarks, and comparatively analyzed differences between the two alternatives. Our conclusion is that upgrading our modern existing platform in agile delivery cycles is the best use of resources and delivers capability to our airmen sooner.

The Air Force initiated an upgrade to our current human resource system of record, fielding enhancements and performing data cleansing activities to ready our system for the integration of payroll beginning in fiscal year 2018. These efforts simultaneously modernize and transform our systems, deliver additional airman-enabling self-service capabilities, and refine the foundation for the complete end-to-end pay integration.

The Air Force remains committed to migrating our human resource portfolio to a solution that minimizes future cost and ensures the human resource community is postured to deliver capability to the Total Force. By focusing actions to deliver state-of-the-art commercial capabilities and leveraging self-service with upgraded web and mobile support to improve human resource access and action, we will reduce our operational costs while drastically improving how we support and pay our world-class airmen.

WOMEN IN SERVICE REVIEW

On December 3, 2015, the Secretary of Defense notified Congress of his intent to open all remaining positions and occupations across the Department of Defense. On January 4, 2016, the Air Force began executing the final Implementation Plan for Full Integration of Women in the Air Force and opened 6 previously closed career fields that include 4,000 positions across the Total Force. Women now have the opportunity to serve in the Air Force as a Special Tactics Officer, Combat Controller (Enlisted), Combat Rescue Officer, Pararescue (Enlisted), Special Operations Weather (Enlisted) and Tactical Air Control Party (TACP) (Enlisted).

Air Force actions will be guided and informed by our studies, as well as the research and analysis conducted by our Sister Services and USSOCOM under the Women in Service Review. The implementation plan also provides for periodic review and continuous assessments to allow incorporation of lessons learned as we go forward. Successful gender integration will take time and requires a focus on standards, policy, education and engaged leadership across the Total Force.

These direct ground combat career fields present a challenge to find qualified volunteers who have the physical and mental fortitude and can persevere through lengthy training pipeline that could span two years. Opening these positions to women allow the Air Force to reach into the female population to find qualified skill sets.

SUPPORT TO FAMILIES

Child and Youth Programs

Air Force Child and Youth Programs are critical to our airmen, and Air Force's goal is to ensure quality, affordable child development spaces are available to our airmen and their families. To accomplish this, we use a combination of child development centers, family childcare homes, and school age programs to support children from birth to 12 years of age. These vital programs provided full time childcare for more than 64,000 children in 2015. Our community-based programs are also crucial in supporting families not located near an Active Duty installation. We provided 8,800 children of Total Force families with 160,000 hours of childcare necessary for Air Force Reserve and Air National Guard members to attend unit drill activities.

Additionally, our Expanded Child Care programs, operated primarily through our Family Child Care programs, continue to grow and adapt to meet the varied and unique childcare needs of our airmen. Expanded Child Care programs offer a more developmentally appropriate home-based childcare arrangement in a manner that is much more flexible and economical for accommodating the fluctuating numbers of users. In 2015, we provided more than 53,000 hours of childcare for more than 2,600 children of first responders, missile operators, wounded warriors, deployed personnel, and parents required to work extended hours or dealing with emergency medical care issues. We added two new programs, 24/7 Child Care to support members working 24 hour shifts and Missile Care 2 Program to assist spouses with non-traditional childcare requirements during times the Active Duty member is working off the installation in the missile field. Our Expanded Child Care program also includes skilled care to exceptional family members allowing parents a break from the stressors of continuously caring for a child with special needs. Geographically separated airmen across the Total Force now have access to exceptional family member respite childcare. The program has consistently grown with an increase in usage more than 35 percent from last year serving more than 1,360 children with 101,000 hours of care.

In 2016, our priority is to meet the needs of our members and their families. We are currently developing implementation plans to extend child development center and school age care hours to overlap the normal working shifts of Service members by at least two hours. At the same time, we are developing a strategic plan to expand capacity in critical areas where wait times for enrollment exceed 90 days, which goes hand-in-hand with the Military Compensation and Retirement Modernization Commission recommendation to improve access to childcare on military installations. The continued rollout of the MilitaryChildCare.Com initiative, a website for military families seeking childcare, will assist in identifying and validating the areas with the greatest need. MilitaryChildCare.com expedites childcare placement through a standardized Department of Defense request process and waitlist management tool and is currently operational at 30 Air Force locations with the remaining 44 locations to be operational by the end of this calendar year.

Wounded Warriors

The Air Force Warrior and Survivor Care office is the Air Force's lead in orchestrating a comprehensive, continuum of care that synergizes Department of Defense and Veteran Affairs programs to meet the medical and non-medical care of wounded, ill, and injured airmen. Over the past year, and through the efforts of our Air Force Wounded Warrior program, we expanded enrollment in our warrior program by improving marketing to our Air National Guard and Air Force Reserve units. We continue to work with units to identify airmen who return from deployment and are beginning to cope with the effects of post-traumatic stress. When symptoms manifest, affected airmen may not recognize the need for help immediately and it is our goal to ensure they are aware of the assistance avenues that are available.

We are committed to a lifetime relationship with all airmen and their families. To strengthen this commitment, we are in the initial stages of developing an Airman for Life program. In addition to leveraging existing programs that support an airman's lifecycle, such as the Transition Assistance Program and Air Force Families Forever, the Airman for Life program will seek to build relationships with non-profits, state and local governments, and employment centers to bridge potential gaps in support.

While we are committed to providing world-class treatment for our airmen's wound, illness or injury, we are also dedicated to treating the whole person and, as an extension of our airmen, their families and caregivers as well. We have developed Caregiver Peer Support Forums, as a collaborative effort with the Office of the Secretary of Defense and the other Service Wounded Warrior programs. These meetings, being conducted at all Air Force installations, provide caregivers an opportunity to share their experiences and challenges with others that best understand what they are going through.

Transition Assistance

Approximately 42,000 Total Force Airmen per year leave the Air Force. The Veterans Opportunity to Work to Hire Heroes Act of 2011, and Veterans Employment Initiative, direct many Transition Assistance Program requirements which provide a variety of opportunities for transitioning Veterans to engage with civilian employers using their training and employment experiences. The Air Force Airman & Family Readiness Centers engage with National and Federal partners to ensure transitioning servicemembers and their spouses are career ready for transitioning back to the private sector.

One of our newest efforts to help our airmen successfully transition to the civilian workforce is the Air Force Credentialing Opportunities On-Line Program. The program currently offers 182 certifications in fields such as Project Management, Information Systems Security and Human Resources and provides two distinct benefits: first, it continues to professionalize the enlisted force by providing up-to-date industry-recognized credentials in an airman's Air Force job; second, it provides a way for airmen to prepare for civilian life by ensuring that they are ready for work in the civilian sector.

CONCLUSION

Recent global developments remind us that America's Air Force must have the capability to engage anytime, anywhere, and across the full spectrum of conflict. To do this we must be able to attract, recruit and retain the best our Nation has to offer. Our airmen, a combined team of Total Force officers, enlisted, and civilians, are educated, innovative, and motivated. When properly trained, effectively equipped, and instilled with the trust of their leadership, they will ensure our Air Force remains the most powerful in the world. However, our airmen do not serve alone. Our Air Force families are a critical component of our success and enable this dedicated force to focus on mission accomplishment. Maintaining an all-volunteer Air Force is a significant undertaking and requires a continuous and significant investment of time and national resources. We realized long ago if we do not focus and invest towards producing, supporting and retaining the highest quality airmen continuously, we as an institution fail. As the Deputy Chief of Staff for Manpower, Personnel and Services, I am committed to making the Air Force a success.

Senator GRAHAM. Well, thank you all for your service.

I will start with the Army. What percentage of the Army's budget is personnel?

General MCCONVILLE. Senator, it is about 60 percent with military and civilian personnel.

Senator GRAHAM. Admiral?

Admiral MORAN. Senator, it is roughly the same when you include all the personnel, the whole team.

Senator GRAHAM. The Marines?

General BRILAKIS. Sir, it is 69 percent. That is civilian and military.

Senator GRAHAM. Air Force?

General GROSSO. Approximately 50 percent.

Senator GRAHAM. So if we are going to do other things, you know, half your budget plus is going to personnel costs.

There is a debate going on about whether women should be subject to the draft now that we have opened up military occupations to women. Could you please very briefly share your view as to whether or not you think that is a good idea?

General McCONVILLE. Well, I think, as you know, we have opened up all combat positions to women, and I think they should have the opportunity to serve in whatever position they want. The fact that they can serve in combat, they ought to be eligible for the draft.

Senator GRAHAM. We will just let everybody know that because you are drafted does not mean you go into combat. You got to meet the standards.

General McCONVILLE. Yes, sir, absolutely.

Admiral MORAN. I would agree, Senator, to be consistent in a message to everyone in America that wants to serve, Selective Service in my personal opinion is appropriate.

Senator GRAHAM. General?

General BRILAKIS. Mr. Chairman, thank you for the question.

You know, it has been interesting—this discussion that has been going on. So the question really is the Selective Service Act I think in terms of threats to the Nation, threats to the republic and what it does and what it represents, and whether or not this is an issue about women and whether we add women now that we made this decision to include them in combat roles, or whether it is a larger discussion about the Selective Service Act and what it means to the Nation.

I am a planner by nature, and if I have a plan, is that plan holistic enough to survive first contact to provide the Nation the talent it needs in time of crisis without an extended debate. The Selective Service Act should help to allow us to act quickly.

Senator GILLIBRAND. So yes or no?

Senator GRAHAM. Yes. Yes or no.

General BRILAKIS. I believe in that discussion, all Americans have the responsibility to serve the Nation.

Senator GILLIBRAND. Good.

General GROSSO. Yes. Women should be included in the Selective Service Act.

Senator GRAHAM. There you go.

If you are going to change TRICARE, one, does it need to be changed, and what would be the biggest recommendation you could give us?

General McCONVILLE. Senator, I think everything should be on the table as you talked about with the costs going up. Having commanded the 101st Airborne Division in combat, I understand what it takes to have a highly trained unit that has got to be manned, it has got to be equipped, and it has got to be trained. We have to spend money on that, and there is not enough money to go around. So we need to look at every place, and TRICARE is one of those to see where we can more efficiently effective so we can continue to man our force, equipped and training our force.

Senator GRAHAM. Does anybody know off the top of their head what percentage of DOD's budget in the next decade will go to TRICARE or health care?

General McCONVILLE. Not off the top of my head.

Senator GRAHAM. Admiral?

Admiral MORAN. Sir, I would say that we need to simplify, and that is part of the proposal that we are seeing, to simplify the plan and reduce the administrative—

Senator GRAHAM. How about expand the number of people servicemembers can go to and their families? Expand the network.

Admiral MORAN. Expand the network. We are trying to drive more business back into the MTFs [Military Treatment Facilities] so that we can keep our readiness of our professionals. I think that is the direction we need to continue, and that will help reduce costs because we are not paying outside the network.

Senator GRAHAM. Got you.

General BRILAKIS. Sir, I agree with Admiral Moran that leveraging the existing infrastructure that we have to the maximum extent to drive down costs is going to be fundamental to the overall TRICARE solution set. But we want to make sure that we continue to provide our families and our marines, soldiers, sailors, and airmen high-quality health care around the globe and in the many different areas in the country where they serve.

General GROSSO. I too agree that we need to get as many beneficiaries into the traditional military treatment facilities as we can and to use the traditional pharmacy that the military provides to better leverage that capacity.

Senator GRAHAM. When it comes to combating sexual assault and putting an emphasis on preventing this, how would you rate the efforts in each service?

General MCCONVILLE. Well, Senator, I would like to answer this as a parent. I am a parent of three children. I expect and my wife demands that we provide a safe and secure environment for our children. I would say we put a tremendous amount of resources into getting at this is something we—

Senator GRAHAM. Do you think people are getting the message?

General MCCONVILLE. I do. I really do. I think people are getting it, but I think we need to continue to work. One of the things we have put in place and we got feedback from our surveys is a “not in my squad” program. Every year we have 120,000 soldiers come in the Army. Those 120,000 soldiers come with the values they brought out and they live in things called squads. I think it is extremely important, not just from the top down, but from the bottom up to get after this and change culture because it is something we just cannot have in our military.

Senator GRAHAM. Briefly, does anybody—does everyone kind of agree with that assessment?

Admiral MORAN. Yes, sir.

Senator GRAHAM. Is it going in the right direction in the Navy?

Admiral MORAN. I think our response is better than our prevention, and we are getting better at prevention and we are really focused on it this year. The CNO [Chief of Naval Operations] has added some new initiatives that I would be happy to talk about. But, yes, sir, I believe we are.

General BRILAKIS. Sir, we cannot ever be satisfied with where we are at with respect to sexual assault and response to it, but I do believe that we have included all marines into the final solution and we are understanding the problem much better than we did before.

General GROSSO. I would agree with that. I think we really turned our focus now to what is primary prevention and what can we learn from the people who do that best. We have funded posi-

tions at every installation that are primary prevention experts, and we are developing a strategy that deals with interpersonal violence because when you look at the risk factors, the protected factors and the risk factors for suicide, sexual assault, family violence, and actually workplace violence, they overlap. So we are trying to leverage all of these separate programs to better address these negative, destructive behaviors.

Senator GRAHAM. Senator Gillibrand?

Senator GILLIBRAND. Thank you. I am going to continue where Senator Graham left off.

So I want to talk a little bit about implementation for sexual assault, specifically the Navy. You have done some interesting work in terms of creating a complex litigation track for counselors to specialize in litigating serious offenses, including cases of sexual assault. Could you talk a little bit about that? Because I think it is probably one of the best strategies I have heard in terms of getting performance in actually prosecuting these cases, getting more cases to conviction, more cases to have an appropriate penalty, not just non-judicial punishment, but something that fits the crime of rape. Could you talk a little bit about that?

Admiral MORAN. Senator, I can talk a little bit about it. I am a little bit out of my league in terms of being not a lawyer.

However, you are correct in that our AJAG [Assistant Judge Advocate Generally] put together a course to help make our prosecutors better, to your point, to make they understood how to apply the law and really keep the pressure on the system to hold people accountable. It is called the military justice litigation career track, and we have also assigned qualifications to that, so official quals, so that we can identify which JAG [Judge Advocate General] members at any point in their career who have that qual can be appropriately distributed around the fleet, fleet concentration areas, so that they can be assigned to those cases. It will kind of solidify around those expert prosecutors so that we are consistent in how we deal with each case.

Senator GILLIBRAND. Do you apply this just for general court martials if you also apply it for special court martials? Do you know?

Admiral MORAN. I do not know. I can get that answer for you. [The information follows:]

Senator Gillibrand, you requested additional information about the Navy's creation of a career track for military justice litigation and whether these judge advocates practiced in special and general courts-martial.

In 2007, the U.S. Navy Judge Advocate General's Corps implemented the Military Justice Litigation Career Track (MJLCT), in recognition that litigation skills are perishable and that the growing complexity of military justice litigation requires officers to remain in the courtroom for successive assignments to maintain proficiency and develop expertise. Our MJLCT judge advocates are leading litigation throughout the enterprise, most notably as Senior Trial Counsel and Senior Defense Counsel at all Naval Legal Service Commands, as officers-in-charge at defense office detachments, as directors of Trial and Defense Counsel Assistance Programs (TCAP/DCAP), and as Victim's Legal Counsel. These judge advocates also serve as trial judges on the Navy-Marine Corps Trial Judiciary and as appellate judges on the Navy-Marine Corps Court of Criminal Appeals. There are 63 MJLCT billets and 77 MJLCT judge advocates. At any given time, there are some MJLCT judge advocates assigned outside a career track billet on a disassociated tour to ensure they remain knowledgeable on Navy matters and enable their overall proficiency.

The mission of the MJLCT is to identify and cultivate judge advocates with the requisite education, training, experience, and aptitude to maintain the highest quality of representation in complex criminal litigation. The MJLCT has three levels of proficiency, which career track judge advocates earn based upon their skill development and experience in military justice litigation. Before applying for each level of proficiency, candidates are expected to meet the applicable experience level guidelines for each stage as set forth in the Navy's MJLCT policy and must obtain recommendations from senior members of the community that are MJLCT judge advocates.

MJLCT judge advocates litigate cases in both special and general courts-martial.

Senator GILLIBRAND. For the other services, I would recommend you to look into this because one of the challenges we have is that our services have generally looked at lawyers as generalists, that we want you to be good at everything so that when you are advising a general, you know a little bit about everything.

But we have seen, when I have delved into how are these cases actually prosecuted, how many convictions do you get as a percentage of convictions in the civilian world, and what are the penalties, we do not actually look very good compared to the best prosecution offices in the country. A lot of the DA's [District Attorney] offices do not do very well at this either, but some do. The ones that do it is because they professionalize. So the Manhattan DA's office, for example, is a perfect place to look for how do you professionalize prosecution of tough felonies. Sexual assault are some of the hardest cases in the world to prosecute effectively. They are tough because you have to weigh evidence in a way that is very difficult, and it is just hard to prove. So when they do it well, it is because they professionalize and they have career track people who are focused on how do you prosecute tough felonies. So I think every one of the services should work on this as a way to get better results in the cases that do go forward.

But I would like you each to answer one question. I understand you all think we are making progress. Why is the retaliation rate unchanged? It is still at 62 percent. Retaliation as perceived by the victim are three kinds of retaliation: 30 percent peer-to-peer, 30 percent administrative, 30 percent professional. So do not say it all seems to be peer-to-peer because that is not the case. In a third and a third, and if you combine that, that is 60, it is from the commander. It is either administrative or professional.

So I want you to talk about why is retaliation where it is. Have you personally seen any prosecution of retaliation in your services at all this year? If not, why do you think that is? Give me an answer on how we fix this retaliation problem.

I liked the fact that one of you said "not in my squad" because the perception of these survivors is sexual harassment 60 percent of the time is from their direct commander, not sexual assault, but sexual harassment. So women are perceiving their unit commander to be one who is creating a poor climate for them to be successful. So that is a huge problem with, again, not pushing back on retaliation peer-to-peer or ones coming from a commander through administrative or professional. I would like your comments on those.

General MCCONVILLE. Senator, I agree with you. As we looked at the report that came out, the last report, we saw reporting going up, which we thought was a good thing, we saw propensity coming down, but the retaliation at 62 percent is what we went after.

Really, that is why we put together a retaliation strategy. We have got to get that down to the lowest levels, and we have got to get it into the squads. We have got to get it into the command. We have got to hold commanders responsible. We have had cases of retaliation reported. Commanders have taken appropriate action. I can come back to you on the record for what those actual actions were taken.

[The information referred to follows:]

The Army has collected data for the Department of Defense (DOD) Sexual Assault Response Prevention Office (SAPRO) as part of its department-wide review of retaliation in the Armed Forces. DOD SAPRO has provided guidance on how to collect this information and will give the Army further guidance on its distribution. If approved by DOD, the Army anticipates releasing this information in May 2016, coinciding with the release of Annual Report on Sexual Assault in the Military. For the way forward, the Army is exploring ways to improve data collection that will allow for easier collection of retaliation data using existing databases. Additionally, the DOD Comprehensive Plan will formalize data collection with a single point of contact and standardize definitions of retaliation across the Services.

But I can tell you that is our biggest concern right now. We thought we had a good path both for reporting and for propensity, but to us retaliation is the area we still need to get after.

Admiral MORAN. I will just add, Senator, that all of us in OSD [Office of the Secretary of Defense] have recognized that the data on retaliation is not going in the right direction. We have got a working group. We are defining, we are setting the baseline definition for retaliation because there is a lot of misunderstanding about it to many folks, and then throwing that and adding it into our training, which is becoming more and more effective, on destructive behaviors. We have put retaliation into that construct as well. To Jim's point, we have to do it at the local level. We have to train peer-to-peer. We have to make sure we are talking to each other and understanding the misperceptions that go along with this aspect of sexual assault.

General BRILAKIS. Thanks for the question, Senator Gillibrand.

Thanks to this subcommittee and the Congress for actually bringing this to everybody's attention. There has been a lot of realization into what is going on. The commands themselves have taken action to publish policies to identify to make their servicemembers understand what it is when we talk about retaliation or reprisal. We are participating, along with the other services, in the OSD working group to develop an overall SAPR retaliation set of policies, understanding these definitions, et cetera. In the Marine Corps, the IG [Inspector General] and NCIS [Naval Criminal Investigation Station Headquarters] primarily are the investigative arms in these cases and advise commanders on the information and the prosecutorial options that are available to commanders, as far as this goes. It is a crime. It cannot be tolerated. We are all taking steps to make this one of those things that is knowledge in action or prevalent within the services.

General GROSSO. Senator Gillibrand, the only thing I would add to that is that we are educating all leaders that more than one out of every two victims that come forward experience some negative outcome that they perceive as negative. I think that is very surprising when you start sharing that data. So you have to be cognizant that whatever you are doing—we are not doing enough so

that these victims are getting the care they need. So we have started doing that.

The other thing we have emphasized is the people that the victim comes forward who they trust to be much more proactive and ask how are you doing, can I help you, how is your experience in the workplace going. So those people that are primary caregivers and that are SARCs [Sexual Assault/Spouse Abuse Resource Center] that do more in the case management—we want them to be more engaged with the individual, knowing that more than one out of every two has some negative experience, so be a little bit more involved in soliciting their input and addressing it at real time.

Senator GILLIBRAND. Just quickly a yes or no. Do you know of any cases of retaliation being prosecuted in your service? Just yes or no.

General MCCONVILLE. I am not aware.

Admiral MORAN. Yes.

General BRILAKIS. I do not at this time.

General GROSSO. No.

Senator GILLIBRAND. Because I would like to follow up with you on a case.

Thank you, Mr. Chairman.

Senator GRAHAM. Senator Tillis?

Senator TILLIS. Thank you, Mr. Chair, and my compliments to the staff on cleaning up that spill. I thought they were going to have to use a shop-vac. It was a big one.

Thank you all for being here.

A quick question on TRICARE. The legislative proposal for 2017 looks like it aims at keeping most of the beneficiaries in the military hospitals and the clinics. Do you agree with that? Do you think that that is the right strategy? Can you explain to me why?

General MCCONVILLE. Senator, I think, at least from a military standpoint, we cannot outsource combat care, and so that should be the number one priority. Having just returned with the 101st Airborne in combat, we have the incredible medical providers, and that is going to be the number one thing to do. So we got to keep that capability within our medical treatment facilities.

We also have an obligation to take care of our families and our retirees. That is where we need to take a look at how to do that best. There are some places, medical treatment facilities, where we just do not have the work to keep them open. So we have got to be innovative and maybe we bring them down to clinics, but we still meet the needs. There are some cost savings. We can get at those things while we are providing the right care. But we got to think through how we do that. So some places we can do it. Other places we cannot. But the overriding principle for us is are we maintaining the readiness of the military, do we have the right medical folks ready to go to combat if we need to do that.

Admiral MORAN. Yes, I completely agree with Jim's assessment, Senator.

Senator TILLIS. Thank you.

General BRILAKIS. I do as well, sir. Our medical treatment facilities—we have invested huge amounts of money. We have got great talent in there. They have to be kept up to speed. They got to learn their job. We do that by ensuring a constant flow of patients. But

we cannot do that at the expense of our families and our servicemembers. So we have got to make sure we balance that with the things that are available to those members that are outside the proximity of a medical treatment facility. I think ultimately it is a very careful balance, managing costs, availability, access, and also health care.

General GROSSO. We would agree as well. Where there is availability, we would for every beneficiary go to an MTF.

Senator TILLIS. You know, one thing I would like for us to do is look at as much collaboration as possible. I sit on the Veterans Affairs Committee, and we are talking about—we obviously have to invest for a certain amount of capacity. So in some of our facilities, we may not be at capacity, but we are prepared, in the event that we need to, to find some efficient way to make those resources available. At times, you have other instances where maybe you do not have the capacity. But I think collaboration and collaboration with the private sector and the communities you are embedded in—I would like to see more of that, just get more leverage out of it.

I do not know if Senator Gillibrand brought this up, but I am kind of curious. There is one thing that we talked about in a full committee a week or so ago, and it has to do with cutting the reimbursement rate for treatment for autism, children with autism. It looks like we are cutting that really below the national average. That could be at the expense of providing treatment.

In your experiences, are these kinds of treatments things that your military families are concerned with, and do you share the view that maybe we should delay cutting the reimbursement rate?

General MCCONVILLE. Well, Senator, I know we have an exceptional family member program, and a lot of our military families look to that to take care of their children. I know some very close to me that have children in that program. So from a standpoint, I would have to look at the absolute case, but I think we owe it to these families who are serving in the military the care they need for their kids.

Senator TILLIS. It seems to me there is nothing more we could do to help our soldiers stay focused on their duties than to make sure we are taking care of their families back home.

Admiral Moran, do you have a comment?

Admiral MORAN. No, sir, not really other than I am sure that any family—and I have got sailors working for me who have autistic kids, that if they see the benefit to the treatment that their children are getting being eroded through rate cuts, they are concerned. I would have to look at what the exact proposal is and balance that against all the other—

Senator TILLIS. Well, I think the other thing to look at—I want to ask another question. It is on a different subject. But I think the thing to look at, increasingly a number of private sector companies are providing these treatments. Other States are mandating the care. It could ultimately become a threat to people who would otherwise like to stay in the military where the financial burden is such that they will go get a job where the coverages are out there. It could ultimately represent a loss of good people who would other-

wise stick around if they had the same alternative under TRICARE.

A completely different subject, and it has to do with commissaries. Can you talk a little bit about what we can do? You know, there is some discussion of privatization. We know there are a lot of concerns expressed with that. Can you talk about things that we can do that could potentially improve efficiency and maintain costs? I think that is one of the key drivers behind people's support of the current plan is because they do not want to see the costs go up.

We will start in reverse order this time.

General GROSSO. Well, we think there a couple things, and actually I think these are policy issues that they are working at the OSD level. But one of them is variable pricing so that they have some flexibility depending on their location to maximize the price competitive with their local area.

I think the second thing is local branding, so getting a DeCA [Defense Commissary Agency] brand that has the potential to save a significant amount of money.

Then I think the third thing would be to leverage the efficiencies that the exchange services have got in the back shop and learn from the exchange services to lean out the business portion of the DeCA process.

Senator TILLIS. Thank you.

General BRILAKIS. Senator Tillis, thank you very much.

I agree with everything that Gina just said. Variable pricing, branding, et cetera, all those are limitations on what they can do. We need to take a look at it as a business, and if we are going to achieve efficiencies in the commissary program, we need to look at it and execute it that way. One hundred percent APF-funded [appropriated fund]. The real question is how do we bring that down. Our exchanges at one point were that way, and now they are all NAF-funded [nonappropriated fund], although I do have some concerns about trying to have the exchange services become combined with the commissary services.

DeCA needs to be brought into a more business-like footing before we go to consideration about combining both exchange services and commissary services because each of the services do their exchanges a little bit different and the result and the dollars that go to support our marines, soldiers, and airmen and sailors reside and rest on our ability to run our exchange services economically and successfully.

Senator TILLIS. Thank you.

Thank you, Mr. Chair.

Senator GRAHAM. Senator King?

Senator KING. I want to move to another subject. All of you at the beginning of your testimony spoke in terms of working on drawing down, on reducing force and where you are in that process. The other hearing that I am supposed to be at right now—and I am going to have to leave shortly—is with Director Clapper, the Director of National Intelligence, who testified before this committee that in his 50 years of Government service, he has never seen a more complex, dangerous, and growing threat environment than what we are facing today.

It worries me that we are doing these drawdowns based upon decisions about budgets made in 2011 before ISIS [Islamic State of Iraq and Syria], before Syria, before North Korea nuclear, before the South China Sea, before the Ukraine, and we are embarked on a policy direction that may not comport with the reality that we face.

General, could you comment on that?

General McCONVILLE. Yes, I could, Senator.

As you know, the Army is on a drawdown ramp to 450,000 soldiers. That 450,000 soldiers—980,000 in the total force. That was based on some conditions and assumptions that were made around the 2011 to 2012 time frame. Those assumptions and conditions are changing. We are sitting today at 482,000 soldiers, a little over a million in the force right now. I think as we move forward, we need to take a look, if the conditions have changed, what the type of things we want our Army to do and how much risk we should take.

Senator KING. One of the things that worries me is if conditions do change—and in fact, they are changing before our eyes—and you need to ramp back up, that is not a spigot you can turn on. That is an 18-month—to stand up a brigade is, I am told, 18 months to 2 years at the shortest. Is that correct?

General McCONVILLE. That is absolutely true.

Senator KING. Other comments on the idea that maybe we have got the aircraft carrier, Admiral, going in a certain direction and we need to think about changing direction.

Admiral MORAN. Yes, sir. Senator, thanks for the question.

You know, we have spent the last 2 or 3 years now trying to reset our OPTEMPO [operational tempo] to something sustainable, both for the equipment that we have and just as importantly for the people. The crises you talk about—we always counsel our sailors that as much as we are trying to drawdown our OPTEMPO so it is more reasonable and sustainable and predictable for sailors and their families, the world is getting a vote.

Senator KING. But if the threats are going up—

Admiral MORAN. That is what I mean.

Senator KING.—and the people are going down, the OPTEMPO is going to go up. I worry about burning people out. This hearing is about personnel, and we are talking about compensation and retirement. But the OPTEMPO is a big factor. Is it not?

Admiral MORAN. Absolutely.

Senator KING. General, do you agree?

General BRILAKIS. Absolutely, Senator King.

In our reduction from 202,000 down to what was originally 186,800 marines, which was determined to be the optimal number for the size of the force, the balance of the marine air ground task force, the capabilities and the sustainment of rotational deployments, the OPTEMPO and DEPTTEMPO [deployment tempo], we have since—because of the price sensitivity that we have, as I testified earlier, about 7 cents out of every dime goes to pay for our people. So when reductions pressures—sequestration puts pressure on the top line, the only way that we can pay that is a reduction in the end strength. So we have gone from 186,800, which is the ideal size, to 184,000, now down to 182,000 primarily due to budgetary pressures.

Even in that determination of the 186,800 marines as being that balanced force, since that time, in the last 4 years, these issues that you brought up, a rising Russia, South China Sea concerns, additional forward presence, rotational requirements, additional actions in the regional areas, has put even further pressure on that. In the readiness component, our ability to provide ready Forces today has been—we are under pressure. We are already above what we believe to be the sustainable number, the one to—

Senator KING. Certainly we cannot avoid—or should we avoid budgetary considerations? We all have to live within budgets. The whole country does. But the driver should be the demands and the threats.

General BRILAKIS. Absolutely, sir. I think we need to balance the things we ask of our services to do and especially in uncertain times like we have today.

Senator KING. General, in your opening testimony, you said something like this is the smallest Air Force we have had in—

General GROSSO. Yes, Senator King. In fact, you will see in our budget that is why we are growing end strength. So we are through the drawdown. We are growing back up to 317,000, and we absolutely believe we need more for the very reasons you cited.

Senator KING. I am running out of time. I would like to ask a question for the record, if you all could supply us. We made some changes last year in the retirement program, and I am interested in sort of mid-course discussion of how that is working. Should there be some modifications to it? Is it working in the way it should? I have heard a complaint that lower-level enlisted people cannot make the payments or have the financial education necessary to make the payments into the 401(k) that gets them to their 50 percent at the end. I would just like your thoughts on how that looks now from the field.

[The information referred to follows:]

General GROSSO. The new retirement system is scheduled to take effect on January 1, 2018. The Air Force, in concert with the other services and the Office of Secretary of Defense, is currently working on several lines of effort in order to make sure we are ready to execute on schedule and our Servicemembers receive the proper education. First, in terms of policy, the Department of Defense is drafting the implementation policy. Once published, it will be used to ensure the Services all implement in the same manner.

The education of our airmen is a major focus area and will be an ongoing process beginning later this year and continuing up to and beyond the effective implementation date in 2018. In addition to pre-implementation training, we are developing systematic, reoccurring training throughout an airman's career. As examples, there will be a series of courses beginning the latter part of CY2016 to address the key target audiences for this change: leaders/supervisors, servicemembers with less than 12 Years of Service, financial managers or personal financial counselors and finally new accessions. An "Opt-in" course will be targeted at the large group of airmen who will be making the choice whether to opt into the new system or remain with the current retirement plan. We are also developing a "train the trainer" for financial professionals, counselors and managers who will be advising our airman as they make these critical decisions.

The decision on how much to contribute to the Thrift Saving Plan will be different for every airman. As the education mechanism is matured and each airman understands his or her choices, they will be able to make the decision that is best for his or her situation. This contribution decision is not static and will likely change based upon a member's life events. To aid in an airmen's decision, a retirement calculator will be created which airmen and their families can access from work or home to facilitate the choices using their own pay data.

With regard to potential modifications, we continue to believe that flexibility in execution of the Continuation Pay is a critical aspect for the Services to be able to shape the force and maintain the right retention level for each service. As well, TSP matching to the end of a member's service recognizes the contributions and maintains the pool of senior leaders (both officers and enlisted) needed to manage our force.

General McCONVILLE. The retirement changes go into effect in 2018, and so far everything is on course for a successful implementation. The Department of Defense did submit some modifications in the fiscal year 2017 Defense Omnibus. Of these, the most important is the flexibility in the administration of continuation pay. The program so far is working the way it should. We are revamping our financial education plan in 2017 so that the lower-level enlisted force has all the necessary financial education to make an informed decision about their retirement selection. All personnel can contribute up to 5 percent of their pay into their Thrift Savings Plan (TSP) retirement account and get a matching 5 percent added from the Government.

Admiral MORAN. We are preparing to implement the Blended Retirement System (BRS) on January 1, 2018. As we prepare, we believe that additional flexibility to offer Continuation Pay (CP) earlier, or later, than 12 years of service, as is currently specified in statute, would be critical to its efficacy as a force management tool.

I am unaware of sailors expressing concerns over an inability to make contributions into the Thrift Savings Plan (TSP). Anecdotally, sailors appear appreciative of the flexibility and choice BRS will offer, should they elect to opt in. We will provide financial literacy training that gives sailors the information necessary to make the best decisions for their individual situations, including training on the advantages and risks of enrolling in TSP and the benefit of matching Government contributions. This is important for the long-term financial security of all our sailors, including those who serve only a single term as well as those who remain for a career.

General BRILAKIS. The modernized retirement system is set to go into effect 1 January 2018. It is too early to assess it. As we approach the effective date, we will monitor the changes closely for impacts to all marines, paying close attention to our young enlisted population, and assess whether or not they are able to make sufficient contributions to their Thrift Savings Plan.

The Marine Corps currently employs a financial education strategy that provides all marines access to financial education topics timed and targeted with corresponding life events like deployments, promotions, reenlistments, marriage, and retirement. This strategy ensures that Marines are aware of their compensation and benefits and are prepared to make timely decisions necessary to ensure their personal financial readiness. We are updating our financial education and counseling curricula to give all Marines the information they need so that they can make an informed decision about the modernized retirement system and the Thrift Savings Plan.

Senator KING. The other thing I would like for the record—I had a conversation this morning with the Admiral, that 84 percent of his incoming recruits are from military families. My question is, is that true of all of you, and is that sustainable given the smaller size of the military? If that is where our main recruiting pool is, we are going to have to think, it seems to me, about broader recruiting.

[The information referred to follows:]

General GROSSO. When we review the survey's completed by our new airmen in the Air Force, approximately 52 percent state they have an immediate family member (parent) who served in the military. At this time we feel this number is sustainable with the size of the Air Force and also a healthy number as it reflects we are actively recruiting members who have no previous affiliation or family ties to the military. We continue to expand recruiting efforts beyond traditional recruiting pools and look to further advancements in the future expanding our recruitment, seeking greater diversity and continuing to attract talented youth into the United States Air Force.

General McCONVILLE. The Army does not have the ability or data available to view prospects' family's military backgrounds. The Joint Advertising Market Research and Studies (JAMRS) surveys provide insights into recruiting, advertising and marketing trends. The JAMRS Spring 2014 Department of Defense New Recruit Survey of approximately 8,000 Army recruits surveyed indicated: 26 percent had a father who served in the military, (16 percent in the Army only); 6 percent had a mother who served in the military, (4 percent in the Army only); 79 percent

had a parent, step parent, grandparent, sibling, cousin &/or aunt/uncle who served in the military, (59 percent in the Army only).

Admiral MORAN. A recent Joint Advertising Market & Research Studies (JAMRS) report reflects that 82 percent of Navy recruits have a family member who served in the military. While we have always focused recruiting efforts and resources across the population of the nation in search of the highest-quality talent within the eligible market space, a decline in the overall veteran population will create a tighter recruiting market in the future. We also expect the recruiting challenge to grow as the economy continues to improve and competition for the best and brightest becomes increasingly keen.

General BRILAKIS. According to the Joint Advertising Market Research and Studies, 77 percent of new Marine Corps Recruits indicated that they have a family member who served; 22 percent indicated they had a parent who served. My own personal story is that I have served over 34 years in the Marine Corps. My father served two years in the Air Force at the end of the Korean War and my brother served five years in the Coast Guard. My wife served three years in the Army after she graduated college, and my daughter is currently serving as a Navy Corpsman in Sigonella, Sicily. While my family has a long history of service to the Nation, only I chose to make military service a career choice. I'm very proud of our collective service—especially as the son and grandson of immigrants.

Senator KING. So I am out of time, but I hope you could give me some response to those for the record. Thank you very much.

Thank you, Mr. Chairman.

Senator GRAHAM. Senator Wicker?

Senator WICKER. Well, thank you all for your service and your testimony.

You know, Senator King's question about any changes that might need to be made early, maybe not mid-course, but early corrections that need to be made on this major change enacted last year—I think that is worth talking about. So let me start down here with Lieutenant General McConville. Has Senator King uncovered something that is a concern that needs to be worked out?

General MCCONVILLE. Well, Senator, I think there is a concern when I look at the new retirement program. It has great value in the fact that about 85 percent of our soldiers will get some type of retirement. What we worry about is our noncommissioned officers. The way the retirement works is you get 40 percent at 20 years. The way you make that up is by going along and saving in the thrift savings program. So for most folks, the way the math works out, if you max out your savings and put it in there and do what you want to do and get your continuation pay, you will probably be ahead at retirement age if you do that.

But a lot of our young soldiers live paycheck to paycheck, and if they cannot start saving early, they are going to have a tough time staying with the force when they get to 20 to 25. We have some great noncommissioned officers who are serving 30 to 32 years doing hard work, and we want to make sure that they have a good retirement when they get to that level.

Senator WICKER. We will just go on down the line here.

Admiral MORAN. Yes, sir. Senator, there are several proposals that DOD has put forward that they would like to see modified. The one that is most important to me is the ability to force shape at the mid-career. So this continuation pay at 12 years is locked right now at 12 years. I believe in the Navy, in particular with our growing high-tech skill requirements and our lower skill requirements, we need flexibility in that 12 years. Something from 8 to 14 might be more appropriate. But I can get you more detail on what we think would be best for the Navy. The other proposals are

interesting, but I think the most important to me and the Navy is the ability to have flexibility in the 12-year continuation pay proposal.

[The information referred to follows:]

As we prepare to implement the Blended Retirement System (BRS) on January 1, 2018, the flexibility to offer Continuation Pay (CP) earlier, or later, than 12 years of service, as is currently specified in statute, would be critical to its efficacy as a force management tool. We would prefer that the statute offer sufficient flexibility for each Service to implement payment of CP as early as the 8-year point and, perhaps, as late as the 14-year point, as the force management needs of the individual Service dictate.

Having the flexibility to adjust the timing of when CP is paid will provide an important tool for managing the required All-Volunteer Force profile with the proper mix of personnel in specific enlisted ratings and officer designators.

Senator WICKER. General Brilakis?

General BRILAKIS. Senator Wicker, thank you very much.

I agree with Admiral Moran and General McConville. You know, we have not begun the retirement program. It begins the beginning of calendar year 2018. So we are still not sure exactly what we are going to get. We are not sure on the take rate because our young enlisted marines and officers will have the option of whether they opt into the TSP [Thrift Savings Plan]. They will have that 20-year retirement at a lower rate, but if you are going to come close to what the current 50 percent retirement at 20 years provides, you have to start doing the savings. I think that goes to Jim's earlier comment with respect to the NCOs.

On the continuation pay, we believe that we do need the flexibility because if we are having retention issues earlier, it would be one of those things that we can use to increase our retention.

Senator WICKER. General Grasso, do you take serious issue with anything that has been said, or should we move along to another topic?

General GROSSO. Continuation pay. We would like to see matching up to 30 years of service, not stopping at 26 because we have a significant portion of our senior NCOs that serve that we need to stay in beyond 26 years.

Senator WICKER. Let us see. Admiral Moran, on page 18 of your testimony, you talk about the drug abuse policy in the Navy is zero tolerance, detection, deterrence, and prevention. Then you also mentioned prescription drug abuse, wrongful prescription drugs. You have increased detections there. We are dealing with this issue right now on the floor of the Senate with regard to the general population.

I will start with you and then ask if anybody else has any thoughts about that. Do you have any suggestions for us as we grapple with this issue society-wide that we might learn from what you have learned specifically in the Navy, sir?

Admiral MORAN. Senator, I really appreciate this question.

The difficulty with this problem is that it is moving all the time. Prescription drugs or drugs that develop over time are moving at a pace that it is not your traditional illicit drugs that we are worried about so much, but it is some of the other ones that come along.

On the prescription side, there are policies that we have had that we continue to have to educate our workforce about, that when an

expiration of a prescription is complete, you are not allowed to continue to use that once or even a year later. I see these cases all the time. There is a misunderstanding, but there is also maybe some character issues with some of the folks. But most of it is just a lack of understanding on both the command side and the policy for the young sailors. So we are trying to educate our force better to make sure we can get our arms around this.

Senator WICKER. You are working, obviously, with your medical corps on that.

Admiral MORAN. Absolutely. Yes, sir.

Senator WICKER. Anyone else want to jump in in the limited time we have?

[No response.]

Senator WICKER. Thank you very much.

Thank you, Mr. Chairman.

Senator GRAHAM. Anything else?

Senator WICKER. Well, okay. Let me make one observation. I notice, Admiral Moran, you talk about diversity. I am certainly happy that you are involved in that. Religious diversity within the services.

We have a concern, many of us, about basically tolerance for it is okay to be a Christian in the service. We see some evidence in some of the publications that come forward that there has been an overreaction on the part of supervisors for our military personnel simply displaying at their workplace an indication that they are Christians and that they feel seriously about that and making that statement from a personal standpoint.

I will not ask you to respond, but I would just say I hope that we do not bend over backwards so far in the name of diversity that we start trampling on the First Amendment rights of our servicemembers at whatever level to express their belief in a certain religious doctrine and that we do not, in the name of diversity, or some opposition to or some concern that we might offend, that we do not overreact and start trampling on the rights of Christian service people to express themselves, just as we allow minority members to express themselves.

Thank you for indulging me on that, Mr. Chair.

Senator GRAHAM. Senator Sullivan?

Senator SULLIVAN. Thank you, Mr. Chair.

I would like to follow up on what Senator King was talking about earlier, the end strength issues. In particular, General McConville, if you do not mind, I want to focus a little bit on the Army end strength.

So the QDR [Quadrennial Defense Review] put an Army end strength at 450,000, and as you know, General Milley is taking a hard look at that, given the significant national security threats that we are seeing globally that certainly were not really as nearly apparent as Senator King mentioned when that number was initially put out there as a target.

In the last 2 weeks—just 2 weeks—before this committee, we have had the PACOM [United States Pacific Command] commander, EUCOM [United States Europe Command] commander, CENTCOM [United States Central Command] commander, SOCOM [United States Special Operations Command] commander,

commander of our Forces in Korea, AFRICOM [United States Africa Command] commander, all expressing concerns even today, this morning, three four-star Army generals at the pinnacle of their career on the 450,000 number as representing too high a risk for the country's national security. Do you agree with that assessment?

General McCONVILLE. I am very concerned about 450,000. I am the Chief of Personnel, and I am supposed to man the force. I am manning the force right now at 482,000.

Senator SULLIVAN. Are you stretched? Do you feel that you are stretched at 482,000?

General McCONVILLE. At 482,000, we are able to meet requirements but we are stretched.

Senator SULLIVAN. Do you see any of the threats and requirements due to those threats lessening in the next 6 months or year or 2 years or maybe even increasing?

General McCONVILLE. Well, if I knew, I am not sure, but I think we need to be ready for the threats to increase. That is the buffer we provide. You know, I said to the committee I commanded the 101st Airborne Division. I have been in this job 19 months now. The 101st Airborne Division has deployed twice. It went to Liberia and they fought Ebola, and now they just took over in Iraq. So that is the OPTEMPO that our soldiers are seeing as we bring the force down. Again, we are at 482,000 right now.

Senator SULLIVAN. So what should we be doing? I believe there is bipartisan support on this committee to relook at and increase that number. Is that something this committee should be looking at, increasing the 450,000?

General McCONVILLE. You have had a chance for General Milley to give you his assessment. He is doing posture hearings right now. I think the way ahead is for him to take a look at what we have, what the future looks like, do assessment, see if the conditions are going to change, then come back with a recommendation through the Secretary of Defense for where we should go on that.

Senator SULLIVAN. How important do you think it is? It is one thing to have the Chief of Staff of the Army, other members of the Army talking about this. We know that sometimes services want to make sure there is significant Forces. But how important do you think it is that literally every combatant commander—every single combatant commander—regardless of branch of service, has come before this committee saying 450,000 is going to be a too substantial risk to the Nation's security? Do you think that bolsters the case that the 450,000 number is too low?

General McCONVILLE. Well, I think as we know, the combatant commanders are the ones who are going to execute the mission. They are taking a look at their requirements, and they are coming back and providing their best military advice, and that best military advice will come in at the Secretary of Defense level and they will decide how they want to best allocate the resources that we have.

Senator SULLIVAN. Let me ask another question that relates. I know there was a discussion of some of the issues surrounding the Force of the Future, Mr. Carson's focus on this. This is just a general question. Do you see sometimes that the requirements from

the Congress or sometimes the civilian leadership sometimes forget about the focus on warfighting?

I am just mentioning that as someone who served in the Reserves and on Active Duty for over 2 decades. It always seems like there are new requirements that are coming from somewhere for our Forces to undertake in terms of training. In my experience, they rarely relate to the core focus of what we do in the military. In the Marine Corps infantry, it is close with and destroy the enemy.

Do you sometimes worry—and I am just asking all four of you—that we get that balance out of kilter to the detriment of our readiness and training, particularly if they are mandates coming from Congress? Or do you think that right now the focus on training and the military's core mission, which is to defend the country, is still the priority that you are hearing from this committee or other Members of Congress or other civilian leaders?

General BRILAKIS. Sir, I think it is a concern for all of us on a daily basis. I do not think there is any decision we make or any action that we make that is not focused wholly on readiness and implications on the force and how it affects us. The Force of the Future in specific in our interactions with OSD on the working groups and at the executive level—we have asked for flexibility.

Senator SULLIVAN. Were you even consulted on a lot of those initiatives as the uniformed military leaders?

General BRILAKIS. Sir, we participated in a set of working groups at the colonel and general officer level during the course of the Force of the Future development. We had the opportunity to make our concerns known. I for one maintained concerns in the cost, which is not readily apparent, whether it is cost in terms of opportunity cost, whether is in terms of cost of dollars, the amount of time that we have had to study some of these recommendations, et cetera.

But I do believe that we will have the opportunity, having submitted some implementation plans already on some of the things the Secretary has already announced. The starting date for some of these is in the future, and we will have the opportunity to take a look at these and study them, to learn the costs.

Most importantly I think to all of us was the flexibility in the recommendations that the services, based on mission, service culture, et cetera, had the ability to take a look at what applied to us, what did not apply based upon what we have done because, quite frankly, there are things that we do as a Marine Corps that the Air Force does not do right now. The Force of the Future wanted everybody to take a look at it.

So there are actions and activities. I do not know the future costs. I do know the costs are out there, and I do know in this fiscal environment, those costs may supplant some of the other things that we are concerned about.

Senator SULLIVAN. Any other thoughts on that? Thanks, General.

General GROSSO. Sir, I would just add that it is always about readiness today versus readiness tomorrow. So if you think about it, the airmen and soldiers and sailors and marines that we are bringing in today will be fighting more in 20 to 25 years. So the Force of the Future actually synchronized relatively closely with

the Human Capital Annex we wrote as part of our new master strategic plan in 2015. So I do think it is important—and General McConville mentioned this—that we modernize some of our personnel practices. The Force of the Future has helped us do some of that.

Senator SULLIVAN. But not at the expense of the serious mission and training that is required by our military.

General MCCONVILLE. Yes, sir. What I see is it is a zero sum game. So we have got to be ready. We have got to be ready to fight now. In fact, we are fighting now. So it is not a question, you know, are we going to fight tomorrow. So we are going to fight now or we are going to fight tomorrow.

But within the Force of the Future, there are some things that are worth the cost, and I would argue the integrated personnel and pay system, which is going to fundamentally change the way we can manage the total force—for the first time, we will have the total force, all three components, on one system. We will be able to actually manage the talent management of 1 million soldiers, and we will be able to meet the auditability requirements of the Congress all with this system. So when I look at that, that is something we absolutely want to do as we go forward.

Admiral MORAN. Senator, I agree with Jim—everybody here really—in terms of the value of the Force of the Future is it set tension in the system of trying to understand, on one hand, what should be mandated. On the other hand, where we all kind of camped out was give us discretionary authorities where we needed to manage our Forces. We are all different. Some are getting smaller. Some are getting bigger. We need different authorities at different points in time. So mandates do not necessarily help us.

Consider TERA, or the Temporary Early Retirement Authority. Some of us have used it in the last 5 years. Others have not seen the need. It is nice to have the discretionary authority when you are trying to manage these Forces.

To your original question, though, on the burden of training, I think we all enter that discussion and consideration that at the end of the day, some of this training is absolutely necessary so that Americans have confidence in their military. There are issues that we all deal with every day that we have to balance fiscally, but if we do not have the confidence of the American people—and we have tremendous confidence today. We want to keep it. So that training is foremost in our mind. Much of it comes from Congress, and there is a lot of it that we put on ourselves that we have gone back and looked at to try to reduce that burden on the fleet so we can get to your very good point about are we training to war-fight. We have been challenged by that over the last 10 years.

Senator SULLIVAN. Thank you.

Thank you, Mr. Chairman.

Senator GRAHAM. Any other questions of the panel? Yes?

Senator GILLIBRAND. I am going to submit for the record a line of questioning about combat integration that I would like you to answer, and they are specific to each of the services. Thank you.

Senator SULLIVAN. Mr. Chairman, I just had one other.

Each of you mentioned in your testimony—and I apologize if we have already talked about this, but the initiatives that you are tak-

ing particularly with regard to mental health care for uniformed members transitioning out of the military. We are all on this panel very concerned, as I know all of you are, on the issue of suicide. Do you think that we are getting a handle on that issue? Do you think that we are reducing the stigma that relates to some of these mental health issues or issues that are kind of related like PTSD and other issues that can lead to suicide?

General MCCONVILLE. Well, Senator, this is something that is very important for the Army. We have really gone after this problem. So we have done some studies. We had MIT [Massachusetts Institute of Technology] do a study because the key thing about behavioral health issues is, when I look at it, people do not commit suicide. They die of suicide. People do not commit heart disease. They die of heart disease. So what we have to do is we have to make sure they get the care and they get it early on. If there is a stigma attached to it, they are not going to do it.

We just had a study done by MIT from 2003 to today. Basically we have gone from 5 percent to 15 percent of our soldiers are using behavioral health care. We are also seeing a number of soldiers that have come into the Army with behavioral health challenges. That has gone down.

The other thing that was really key for us was putting embedded behavioral health down at the brigade level. So it is near the point of need. You know, the stigma was before you had to go find it. You had to get to it. You had to try to get an appointment. By pushing it down to where our soldiers can get it early, that is when we get the best results. So it is early and it is near. That is what we want to do, and that is where we are going to get the best results.

So we are starting to see some reductions. One suicide is still too many, but we are starting to see some trends in the right direction on that.

Admiral MORAN. Senator, this is immensely important to all of us. I think we are learning from each other as we go down this path. I am very keenly interested in what the Marine Corps is doing in their Marine Intercept program. They figured out that a lot of young men and women who have ideations ultimately do commit suicide. It has not always been well understood. We are beginning to see the data now that says we have got to pay a lot closer attention to those with ideations, in other words, stay with them much longer through the process, and you may have to stay with them forever to make sure that they feel like they are part of the team and not alone and isolated. That generally is where we are seeing the suicides occur in young males primarily in our service.

General BRILAKIS. The issue of stigma, Senator—it is a great question. It is about talking to marines early and talking to them often. It is about discussing those elements and letting them know that any issue that they may have that comes up, we are dealing with youngsters whose maturity levels are developing, and their coping mechanisms are not necessarily fully developed. We put them in a hyper-pressurized environment. You never want to drive anybody into the shadows. You want to bring them out. Having that discussion, making them understand what it is that we can do, all the resources that are available, making them available in such a way that they are wearing the same uniform that those in-

dividuals are, that they are not wearing the same uniform, so depending upon who they feel they can reach out to is important.

Admiral Moran mentioned the Marine Intercept program. One of those things that we developed with feedback from the marines, a program that once we identify an individual, whether it is through an ideation, whether it is through just an admission that things are rough, we put them into that program. We offer them the opportunity to involve the Marine Intercept program. They have the ability to opt out. About 80 percent of them accept the Marine Intercept program. We have 1,500 marines currently on it, and for those that are involved, they have accepted it, we have not to date seen one individual die from suicide. It is a grassroots effort, but it is a growing effort and we continue to work those issues hard because a suicide is a very complex problem, as you well know.

General GROSSO. We have just seen our suicide rates go up the last couple years, which is causing us great concern. We have taken a pause in how we are addressing it, and we have actually learned from our sister services on how we can get better at this. So we are putting a lot of resources back into understanding why is this happening and what can we do about it. That is when we decided to, again, put these prevention specialists at the installation level. We also need, we believe, just like our sister services, to put more resources down at the individual level on the installation to help people—make it easier for them to get help basically.

Senator SULLIVAN. Thank you.

Thank you, Mr. Chairman.

Senator GRAHAM. Anything else?

[No response.]

Senator GRAHAM. Thank you all for your testimony.

We have received testimony from these witnesses and others on these important topics in advance of today's hearing. I move that we include all written statements received by this subcommittee for today's hearing on the record. Without objection, so ordered.

Senator GRAHAM. Thank you all very much.

The next panel, please.

[Pause.]

Senator GRAHAM. Thank you to the second panel here. Now we will go ahead and get started with Ms. Roth-Douquet.

Ms. ROTH-DOUQUET. Douquet.

Senator GRAHAM. Douquet. I am sorry. Thank you.

Ms. ROTH-DOUQUET. Thank you. It is a difficult name.

Senator GRAHAM. No, a nice name.

STATEMENT OF KATHY ROTH-DOUQUET, CHIEF EXECUTIVE OFFICER, BLUE STAR FAMILIES

Ms. ROTH-DOUQUET. Senator Graham, Senator Gillibrand, I really appreciate you having us here today.

I am Kathy Roth-Douquet, and I am CEO of Blue Star Families. Blue Star Families strengthens military families and our Nation by connecting communities and fostering leadership. It is the largest chapter-based military families serving nonprofit in the U.S. We serve 1.5 million military family members annually. We have 35 chapters at home and overseas. BSF [Blue Star Families] bridges the gap between our military family community and the general

public. We have strong ties to all branches of services, including Guard and Reserve, transitioning veterans, wounded servicemembers and their families.

We are nationally recognized for our annual Military Family Lifestyle Survey. It is the largest of its kind, and it provides both quantitative and qualitative data that reveals a snapshot of the current military force and their families and how they are experiencing service life. We conduct it annually. We release it with the House and Senate Military Family Caucuses, and it is used broadly by the White House, Congress, DOD, State and local officials, other nonprofits and foundations to help understand our current military family.

I appreciate that you are focusing particularly on health here. We understand health for the military community to be broadly stated. It is both immediate issues of health care and those conditions that allow families to be healthy and resilient.

Military families are central to the security of our Nation. We are doing something unprecedented. This is the first time in the history of civilization that such a small number of free people voluntarily patrol the globe and keep it safe for everyone. Those people have families and nobody should be made to choose between serving their country and making sure that their family is thriving. All of us care about our families, and we will not do work that hurts our families.

Working to minimize the uncertainty and heightened lifestyle requirements that are associated with military service helps our Nation achieve current national priorities, including stable defense personnel costs, improved recruitment, retention and readiness, and a sustainable force.

So our research suggests that servicemembers' top concern is for their family's well-being, and family well-being is the top consideration for whether a servicemember stays or leaves the force. While the military has adopted a number of reforms to support military families in the past few years, there are still many opportunities to do more.

Since our first Military Family Lifestyle Survey in 2009, we have seen what it means for military family members to serve, and we looked at that blueprint for what it takes to strengthen America by supporting those families. Each year we emphasize two or three key areas of focus, and today I will focus on those areas that have been key for us in this 2015 survey.

Military caregivers. Thirty-two percent of the people taking our survey identified themselves as caregivers, whether they were serving for an aging parent, a child with special needs, or a wounded military servicemember. I think importantly many of those military family members who identified themselves as caregivers to a wounded servicemember did not necessarily have a wounded servicemember who identified themselves as wounded or was seeking treatment that way. I think many times the servicemember's spouse can identify symptoms of PTSD and TBI. That becomes a path to serving them that is not something that gets identified through formal identification from a servicemember.

Caretaking is fulfilling but stressful. Seventy-five percent of the caregivers in our survey had no warning that they were going to

become caregivers and therefore no training. They find that lack of training to be difficult in terms of allowing them to do their work.

Another challenge is the difficulty in finding alternative caregivers to take over when they are unable to. More than half found that they had a very difficult or somewhat difficult time in finding respite.

Military-connected caregivers not only provide direct care, including health care and health assistance, they do case management. They provide psychological support, and they provide legal and financial support. So they are very important to the well-being of the wounded.

While care provided by military-connected caregivers promotes faster recovery for wounded warriors and saves millions of dollars in health care costs, most of those cost-savings are absorbed by the caregiver's social, legal, and economic costs. They are often unable to work, often have to leave their work in order to provide that caregiving.

They themselves often experience health problems that come from being a caregiver, both mental health and physical health. Research indicates that the majority of caregivers report that their own health worsens due to caregiving, and the problems related to sleep, stress, pain, depression, and weight changes are further concerns.

The problems associated with these consequences is that military-connected caregivers often have little, if any, time to prepare for becoming a caregiver and few widely and comprehensive training programs to help them to prepare. These are all issues that can be addressed and can be solved and can make things stronger for us.

Military spouse employment is an area that we have identified as a key concern for military families. The majority of military families cannot field a two-income household as 75 percent of most American families do. That leads to the economic insecurity that military families, including servicemembers, identify as their top concern related to military life. Although removed from warfighting, jobs for military spouses do make our military stronger. Many companies have created successful initiatives to hire veterans. We have an opportunity to provide this same level of support for hiring military spouses.

Forty percent of respondents in our survey this past year identified military spouse unemployment as the top obstacle to their family's financial security. Only 45 percent of Active Duty military spouses were employed full- or part-time. Fifty-eight percent would like to be.

Military lifestyle factors have the greatest impact on spouses' ability and preference to work. They move frequently, every 1, 2, and 3 years. They are often in remote locations. They have heightened caregiver responsibilities. It is important to note that military families with employed spouses report greater financial security, greater mental health, and most importantly for this committee, a higher satisfaction with the military lifestyle.

Findings indicate that unemployment not only affects financial security but it also affects the health of military families. Sixty-eight percent of respondents who were not employed experienced

stress from their financial situations. Forty-five percent of unemployed military spouses reported symptoms of depression, and 7 percent had thought seriously about committing suicide. So we commend this issue for all of us to pay attention.

To address these needs, we need to prioritize military spouse employment and education initiatives. We can increase coordinating efforts among public, private, and nonprofit sectors to promote high-quality, portable work-from-home positions for military spouses, and expand veteran and military spouse hiring and training initiatives so that both veterans and military spouses are included.

Finally, the frequent moves and geographic separation from extended family members makes the need for child care especially acute within military families. Thirty-five percent in our last survey said that they did not have child care that met their needs. That is an enormous number. It is a major challenge for working spouses, those seeking work, and even those not in the labor force due to aspects of the military lifestyle like unpredictable work hours, frequent absences, deployments, and the inability to equitably share in child care responsibilities.

Finally, I would like to just touch on behavioral issues. The unique demands of military service result in exceptional issues and challenges for servicemembers and their families. Top stressors for both Active Duty and their spouses included employment and work stress, deployments, financial and relocation issues. Fifty-two percent of military spouses say that isolation from family and friends are a key stressor. Mental health for Active Duty and veterans have been of national concern. It is also an issue for our military spouses. Services are available to Active Duty members and their families, but 17 percent of respondents did not use a program or benefit related to mental health care because they had concern about confidentiality and treatment.

In addition, a major study by Eaton, et al. found that military spouses have similar rates of mental health problems to the soldiers themselves, and often display greater symptoms of depression and anxiety following separation from their spouses due to deployment. This study found that 12 percent of military spouses screen positive for major depression, and 17 percent screen positive for generalized anxiety.

As mentioned previously, military spouse unemployment raises stress levels for military spouses and their servicemember.

We also found that mental health was a factor with caregivers. Forty-four percent of caregivers responded they found caregiving somewhat stressful. Sixteen percent found it extremely stressful.

Blue Star Families believes that military families are assets to both our national defense and local communities. They are central to the health and capability of the All-Volunteer Force and are good neighbors who actively engage in making their civilian communities great places to live.

Service members may be employed by their respective services, but they work for all Americans. Thus, the responsibility for supporting military families is certainly the duty of the Department of Defense. However, a healthy Nation also shares in this responsibility. We believe there are many programs that would have no im-

impact on the national budget that would greatly affect military families and DOD by allowing us to more actively partner. Nonprofit, private sector, and Government can help address many of these concerns.

Thank you very much, Mr. Chairman.

[The prepared statement of Ms. Roth-Douquet follows:]

PREPARED STATEMENT BY MS. KATHY ROTH-DOUQUET

BLUE STAR FAMILIES

Chairman Graham, Ranking Member Gillibrand and other distinguished Members of the Subcommittee, thank you for the opportunity to appear before you today.

I am Kathy Roth-Douquet and I am the CEO of Blue Star Families. Blue Star Families (BSF) strengthens military families and our nation by connecting communities and fostering leadership to millions of people. As the largest chapter-based nonprofit organization in the US, serving 1.5 million military family members annually, and with 35 chapters at home and overseas, BSF bridges the gap between our military family community and the general public. With strong ties to all branches of service, Active Duty, veterans, and their families, BSF is nationally recognized for its annual Military Family Lifestyle Survey. The largest of its kind, the survey provides both quantitative and qualitative data that reveals a snapshot of the current state of the servicemembers and their families. Conducted annually, the Military Family Lifestyle Survey is used at all levels of Government to help inform and educate those tasked with making policy decisions that impact servicemembers and their families—who also serve.

THE IMPORTANCE OF HEALTHY & RESILIENT MILITARY COMMUNITIES

Military families are central to the security of our nation. Including military families as a level of analysis in defense considerations is not just the right thing to do—it's also the smart thing. Put another way, prioritizing quality of life for servicemembers and their families' benefits recruitment, retention, overall readiness, and will be crucial to shaping successful future force planning initiatives.

Working to minimize the uncertainty and heightened lifestyle requirements that are associated with military service will also help our nation to achieve many current national priorities including: stable defense personnel costs; improved recruitment, retention and readiness; and a sustainable All-Volunteer Force.

Research suggests that servicemembers' top concern is for their family's well-being and family well-being is top consideration in whether a service member stays or leaves the force. While the military has adopted a number of reforms to support military families in the past few years, there is still much more to be done.

KEY PRIORITIES FOR MILITARY FAMILIES

Since 2009, Blue Star families has conducted the annual Military Family Lifestyle Survey which provides a comprehensive understanding of what it means to serve as a military family and is the blueprint for strengthening America by supporting military families. Each year, we emphasize two to three key areas of focus, based upon the current needs identified in that year's survey.

Our key priorities for the coming year are based on areas of need identified in our 2015 survey. We feel improvement in these areas also has the greatest potential to reduce the trend of increasing uncertainty with the military lifestyle that was a top trend in our 2015 survey.

The areas we will be focusing on are:

- the caregiver population—whether that care is to wounded warriors, military kids with special needs, an aging parent of an Active Duty service member, or an Active Duty service member struggling with depression or another mental health issue
- unemployed or underemployed military spouses—military spouse unemployment sits around 25 percent and is a top obstacle to the financial security and successful retirement or transition planning for military families
- concerning rates of behavioral health issues among military spouses, for example a recent study found that 12 percent of military spouses screen positive for major depression and 17 percent screened positive for generalized anxiety, much greater than the rates in the general US population of around 6.7 percent and 3.1 percent respectively

MILITARY CAREGIVERS

Our 2015 survey found that 32 percent of military family members identified themselves as a caregiver. A caregiver can be someone caring for an aging parent, a child with special needs, and/or a wounded military service member. While we recognize that caregiving can be fulfilling, it can be stressful, particularly if the caregiver lacks formal training, as was the case for 75 percent of caregivers who responded to our survey. Another challenge is difficulty finding an alternate caregiver to take over when they are unable to take on their caregiver duties —27 percent of caregivers found it very difficult and another 27 percent found it somewhat difficult.

Military-connected caregivers perform a number of roles, including health and health care assistance, case management, psychological support, and legal/financial roles.

While care provided by military-connected caregivers promotes faster recovery for wounded warriors and helps save millions of dollars in health care costs, much of the cost-savings are absorbed by the caregivers' social, legal, and economic costs, as well as costs associated with the health problems that they report from being a caregiver.

Research indicates that the majority of caregivers have reported that their own health has worsened due to caregiving, with the problems related to sleep, stress, pain, depression, and weight changes.

A big problem associated with these consequences is that military-connected caregivers often have very little, if any, time to prepare to become a caregiver AND few widely accessible and comprehensive training programs exist to help them prepare.

MILITARY SPOUSE EMPLOYMENT

Many companies have created initiatives to hire veterans due to raised awareness about the employment and mental health challenges facing military personnel after their service. While we applaud these efforts, many fail to address the military family as a whole, often omitting military spouses, a major component of the military family.

Military spouse employment remains a top concern for Active Duty military spouses. Forty percent of respondents to our 2015 annual Military Family Lifestyle Survey identified military spouse employment as a top obstacle to their family's financial security. Only 45 percent of Active Duty military spouses responded that they were employed full or part-time and of those who were not employed, 58 percent would like to be.

Military lifestyle factors have greatest impact on military spouses' ability and preference to work. Seventy-five percent of Active Duty military spouses reported being a military spouse had a negative impact on their ability to pursue a career. The top three factors impacting military spouse employment included service member's job demands, frequent moves, and family obligations.

It is important to note that military families with employed spouses reported greater financial security, better mental health, and higher satisfaction with the military lifestyle. Findings indicate that unemployment not only affects the financial security of military families, but their health as well. Sixty-eight percent of respondents who were not employed experienced stress from their current personal financial situation. Forty-five percent of unemployed military spouses reported symptoms of depression and seven percent had thought seriously about committing suicide.

To address these military spouse employment needs, we need to prioritize military spouse employment and education initiatives. Increase coordinated efforts among the public, private, and nonprofit sectors to promote high-quality, portable or work-from-home positions for military spouses and expand veteran hiring and training initiatives to include military spouses.

Another solution would be to explore the possibility reducing permanent changes of station for servicemembers and their families. Many of the challenges associated with spouse employment would be mitigated with less frequent moves.

Finally, the frequent moves and geographic separation from extended family members also makes the need for childcare especially acute within military families. Childcare is a major challenge for working spouses, those seeking work, and even spouses not in the labor market whose spouses, due to aspects of the military lifestyle like unpredictable work hours, frequent absences, and deployments, are often unable to equitably share in childcare responsibilities. Increasing access to affordable, flexible, and high quality childcare will remain a top challenge and presents a substantial opportunity to provide additional military family support.

BEHAVIORAL HEALTH ISSUES

The unique demands of military service result in exceptional issues and challenges for servicemembers and their families. The top stressors for both Active Duty and their spouses included employment/work stress; deployments, financial and relocation issues. In addition, 52 percent of military spouses found isolation from family and friends to be a key stressor.

Mental health of our Active military and veterans has been of national concern. It is also an issue for our military spouses with seven percent of Active Duty spouses indicating they had seriously thought about committing suicide during their time associated with the military. Though services are available to Active military and their families, 17 percent of respondent did not use a program or benefit because they had concerns about confidentiality of treatment.

In addition, Eaton, et al found that military spouses have similar rates of mental health problems to the soldiers themselves and often display greater symptoms of depression and anxiety following separation from their spouse due to deployment.¹ Their study found that 12 percent of military spouses screen positive for major depression and 17 percent screened positive for generalized anxiety.²

As mentioned previously, military spouse unemployment raises stress levels for military spouses and their service member. We also found that mental health was a factors with caregivers. Forty-four percent of caregivers responded that they found caregiving somewhat stressful while 16 percent found it extremely stressful.

CONCLUSION

Blue Star Families believes that military families are assets to both our national defense and local communities. They are central to the health and capability of the All-Volunteer Force and are good neighbors actively engaged in making their civilian communities great places to live. Service members may be employed by their respective services—but they work for all Americans. Thus the responsibility for supporting military families is certainly a duty of the Department of Defense; however, a healthy nation also shares in this responsibility.

Thank you very much, Mr. Chairman.

¹ Eaton, et al. Prevalence of Mental Health Problems, Treatment Need, and Barriers to Care among Primary Care-Seeking Spouses of Military Service Members Involved in Iraq and Afghanistan Deployments. *Military Medicine*. 2008.

² Eaton, et al. Prevalence of Mental Health Problems, Treatment Need, and Barriers to Care among Primary Care-Seeking Spouses of Military Service Members Involved in Iraq and Afghanistan Deployments. *Military Medicine*. 2008.



6,291
RESPONDENTS
INCLUDING
MILITARY SPOUSES
& VETERANS

MILITARY FAMILIES ARE ASSETS TO NATIONAL DEFENSE AND LOCAL COMMUNITIES. THEY ARE CENTRAL TO THE HEALTH AND CAPABILITY OF THE ALL-VOLUNTEER FORCE AND ARE GOOD NEIGHBORS ACTIVELY ENGAGED IN MAKING THEIR CIVILIAN COMMUNITIES GREAT PLACES TO LIVE.

BLUE STAR FAMILIES ANNUAL MILITARY FAMILY LIFESTYLE SURVEY PROVIDES A COMPREHENSIVE UNDERSTANDING OF WHAT IT MEANS TO SERVE AS A MILITARY FAMILY AND IS A BLUEPRINT FOR STRENGTHENING AMERICA BY SUPPORTING MILITARY FAMILIES.



IN COLLABORATION WITH:



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2015 MILITARY FAMILY LIFESTYLE SURVEY

TOP 5 ISSUES

RANKED AS MOST CONCERNING

> MILITARY PAY AND RETIREMENT BENEFIT CHANGES ARE THE TOP TWO CONCERNS FOR ALL RESPONDENTS

> SPOUSE EMPLOYMENT, MILITARY SUICIDE & VETERAN EMPLOYMENT ROUND OUT THE TOP 5 ISSUES OVERALL FROM ALL SURVEY RESPONDENTS

MILITARY SPOUSES



SERVICE MEMBERS



VETERANS



SPOUSE EMPLOYMENT

TOP CHALLENGES TO EMPLOYMENT
52% Poor Job Market Alignment
36% Service Member's Job/Work Obligations

45% have a full- or part-time job

58% are not working *would like to be employed* outside the home

75% reported being a military spouse had a negative impact on their ability to pursue a career

FINANCIAL READINESS

TOP 3 OBSTACLES TO FINANCIAL SECURITY
42% Uncertainty in Military Life
40% Spouse Employment
39% Benefits Uncertainty/Changes

14% of active duty do not regularly contribute to a retirement account

60% of post-9/11 Service members feel financially secure

78% are paying more than BAH for housing; 22% of those are paying \$400 or more

TRANSITION

28% described their overall transition from active duty to veteran as "difficult" or "very difficult"

43% of veterans had some form of TAP & 57% agreed that it prepared them to successfully transition from active duty to civilian life

87% feel the military has prepared me to be a leader in the civilian workplace and community

97% feel pride from accomplishments during military service

Senator GRAHAM. Ms. Raezer?

**STATEMENT OF JOYCE W. RAEZER, EXECUTIVE DIRECTOR,
NATIONAL MILITARY FAMILY ASSOCIATION**

Ms. RAEZER. Thank you, Mr. Chairman, Ranking Member Gillibrand, Senator Blumenthal. I appreciate the opportunity to speak today on behalf of the National Military Family Association and the military families we serve about the fiscal year 2017 Defense Department budget proposals.

Our statement submitted for the record addresses many of the issues covered by the budget proposals and others that we wish had been covered. I will confine my remarks right now, in the interest of time, to just two of those issues: pay and TRICARE reform.

DOD officials like to highlight that their proposed 2017 pay raise of 1.6 percent is the largest basic pay raise in 4 years. But as you have noted, if this raise goes through, 2017 will mark the fourth year in a row military pay raises have lagged behind the Employment Cost Index, the standard currently in law.

In recent testimony before the House Military Construction and VA [Veterans Affairs] Appropriations Subcommittee, the military services senior enlisted advisors spoke of the damage to morale that is being done by budget-driven compensation cuts. These lower pay raises head the list of morale concerns for the enlisted advisors. We are very happy to hear that you also share their concerns.

Although its primary mission is to ensure medical providers have the training and tools they need to keep our troops strong when in harm's way, the military health system also has an obligation to deliver high-quality care to military families, retirees, and their families and survivors. Too often families tell us DOD fails to meet this obligation.

We surveyed more than 6,100 military spouses in December and January. Nearly 30 percent of those who use military treatment facilities reported they rarely or never get an acute care appointment within the 24-hour access standard.

Any discussion of TRICARE reform must start with how DOD can fix the problems it knows exist regarding access, quality, and patient satisfaction. Unfortunately, DOD provides few details in its budget proposal on actual improvements to the value of TRICARE or how it will enhance medical readiness. Instead, it focuses first on how much military families should pay for their health care. What is presented as a comprehensive restructure is really just a repackaging of the current system at a higher cost to many families and with no expansion of networks or improved benefits. Continuing to recapture care in military hospitals already failing to provide timely appropriate access for current enrollees will neither improve patient satisfaction nor comprehensively address readiness needs. I look forward to the opportunity during the question and answer to share some of our recommendations about things we would like you to consider.

To echo Ms. Roth-Douquet's comment about behavioral health needs, this is one area that the Department has not addressed in their budget, that increasing demand for behavioral health services. In that same survey of 6,100 military spouses, 40 percent re-

ported that they had looked for behavioral health care for themselves or someone in their family. The demand is outstripping the supply.

So as you evaluate the Department's proposed budget, please consider how it will meet the needs of military families and add value to their quality of life and to the servicemembers' quality of service. Does this budget make a servicemember more ready to perform the mission? Does it make a mom feel that her sick child's health is a priority? Does it ease uncertainty? Does it ensure support will be available for a family during a deployment? Does it support a spouse eager for a career? Bottom line, does this budget keep our military families strong?

Thank you for your support of military families.

[The prepared statement of Ms. Raezer follows:]

PREPARED STATEMENT BY JOYCE W. RAEZER

The National Military Family Association (NMFA) is the leading nonprofit dedicated to serving the families who stand behind the uniform. Since 1969, NMFA has worked to strengthen and protect millions of families through its advocacy and programs. We provide spouse scholarships, camps for military kids, and retreats for families reconnecting after deployment and for the families of the wounded, ill, or injured. NMFA serves the families of the currently serving, retired, wounded or fallen members of the Army, Navy, Marine Corps, Air Force, Coast Guard, and Commissioned Corps of the USPHS [United States Public Health Service] and NOAA [National Oceanic and Atmospheric Administration].

Association Volunteers in military communities worldwide provide a direct link between military families and the Association staff in the Nation's capital. These volunteers are our "eyes and ears," bringing shared local concerns to national attention.

The Association does not have or receive federal grants or contracts.

Our website is: www.MilitaryFamily.org.

Joyce Wessel Raezer, Executive Director

Joyce became the Executive Director of the National Military Family Association in 2007. In that position, she leads the Association's programs and initiatives to meet the needs of the families of the seven uniformed services and promote improvements in their quality of life. She is frequently called on by Government officials, other organizations, and the press to share her expertise on the issues facing military families. She began her work with the Association in 1995 as a Volunteer in the Government Relations Department and subsequently served in various staff positions, including Government Relations Director.

Joyce has represented military families on several committees and task Forces for offices and agencies of the Department of Defense (DOD) and military services. Joyce has served on several committees of The Military Coalition, an organization of 32 military-related associations. She was co-chair of the Coalition's Personnel, Compensation, and Commissaries Committee from 2000 to 2007. In 1999 and 2000, she served on a Congressionally-mandated Federal Advisory Panel on DOD Health Care Quality Initiatives. From June 1999 to June 2001, Joyce served on the first national Board of Directors for the Military Child Education Coalition. In 2004, she authored a chapter on "Transforming Support to Military Families and Communities" in a book published by the MIT Press, *Filling the Ranks: Transforming the U.S. Military Personnel System*.

In 2006, Joyce received the Gettysburg College Distinguished Alumni Award. She was the 1997 recipient of the Association's Margaret Vinson Hallgren Award for her advocacy on behalf of military families. She also received the "Champion for Children" award from the Military Impacted Schools Association in 1998. In 2007, *Military Spouse Magazine* listed her on its Who's Who of Military Spouses. In 2012, she was honored as a Daily Point of Light by the Points of Light Foundation.

A Maryland native, Joyce earned a B.A. [Bachelor of Arts] in History from Gettysburg College, and a M.A. [Master of Arts] in History from the University of Virginia. The spouse of an Army retiree, she is the mother of two adult children. She is a former teacher and served on the Fort Knox Community Schools Board of Education from 1993 to 1995. She was an active volunteer parent in her children's schools. She

plays hand bells and sings in her church choir, the Northern Virginia Chorale, and the Ron Freeman Chorale.

EXECUTIVE SUMMARY

The United States military is the most capable fighting force in the world. For more than a decade of war, servicemembers and their families never failed to answer the call, steadfastly sacrificing in order to protect our Nation. They made these sacrifices trusting that our Government would provide them with resources to keep them ready. Recent national fiscal challenges have left military families confused and concerned about whether the programs, resources, and benefits contributing to their strength, resilience, and readiness will remain available to support them and be flexible enough to address emerging needs. The Department of Defense (DOD) must provide the level of programs and resources to meet this standard. Sequestration weakens its ability to do so. Service members and their families have kept trust with America through 15 years of war with multiple deployments and separations. Unfortunately, that trust continues to be tested.

The Administration's fiscal year 2017 (FY17) budget proposal will undermine military family readiness in fundamental ways, by cutting families' purchasing power and forcing them to bear more of their health care costs. At the same time, looming cuts mandated by sequestration threaten the programs and services they rely on for support. The National Military Family Association (NMFA) makes the recommendations in this statement in the name of supporting the readiness of military families and maintaining the effectiveness of the All-Volunteer Force. We ask the Nation to keep the trust with military families and not balance budget shortfalls from the pockets of those who serve.

We ask Congress:

As you evaluate the proposals submitted by DOD, consider the cumulative impact on military families' purchasing power and financial well-being, as well as the effects on the morale and readiness of the All-Volunteer Force now and in the future.

Please:

- Reject budget proposals that threaten military family financial well-being as a way to save money for the Government.
- Keep military pay commensurate with service and aligned with private sector wages.
- Reject the fiscal year 2017 DOD health care proposal. It imposes higher fees without enhancing value to beneficiaries and puts more pressure on the direct care system—a system that frequently fails to fulfill the needs of its current users.
- Preserve the savings military families receive by shopping at the commissary and oppose any reform measures that would reduce the value of the benefit.

We especially ask Congress to end sequestration, which places a disproportionate burden on our Nation's military to reduce the deficit.

We also ask Congress to make improving and sustaining the programs and resources necessary to keep military families ready a national priority.

We ask Congress to:

- Provide oversight to ensure DOD and the individual Services are supporting families of all components by meeting the standards for deployment support, reintegration, financial readiness, and family health. Fund appropriately at all levels.
- Expand paternity leave to 14 days and allow two weeks of adoption leave to both parents in dual-service families.
- Expand the opportunity for spouses to access transition information including face-to-face training and on-line training. Expand service member and family access to Military OneSource counseling and other assistance to one year post-separation.
- Facilitate easier paths to both licensure and employment for military spouses and veterans who are in the mental health field when they work with our servicemembers and their families. Include military spouses who enter the mental health profession in federal loan-forgiveness programs.
- Ensure adequate funding for military child care programs, including child care fee assistance programs. Improve access to installation-based child care and increase availability of part-time and hourly care.
- Ensure appropriate and timely funding of Impact Aid through the Department of Education (DoEd) and restore funds to the Impact Aid federal properties program.

- Continue to authorize DOD Impact Aid for schools educating large numbers of military children and restore full funding to Department of Defense Education Activity (DODEA) schools and the DODEA Grant Program.
- Bring the Extended Care Health Option (ECHO) benefits on par with State Medicaid waiver programs and extend ECHO eligibility for one year following separation.
- Ensure Family Advocacy programs are funded and resources appropriately to help families heal and aid in the prevention of child and domestic abuse.
- Correct inequities in Survivor benefits by eliminating the Dependency and Indemnity Compensation (DIC) offset to the Survivor Benefit Plan (SBP). Extend the Special Survivor Indemnity Allowance (SSIA) and ensure SBP annuities for reservists who die while performing inactive duty training are calculated using the same criteria as for members who die while on Active Duty.
- Exempt Special Compensation for Assistance with Activities of Daily Living (SCAADL) payments from income taxes and maintain the program, particularly the outreach to wounded warrior families.

After 15 years of war, we continue to see the impact of repeated deployments and separations on our servicemembers and their families. We appreciate Congress' recognition of the service and sacrifice of these families. Your response through legislation to the ever-changing need for support has resulted in programs and policies that have helped sustain our families through these difficult times.

KEEPING THE TRUST OF MILITARY FAMILIES

After more than a decade of war, servicemembers and their families have heroically answered our nation's call to serve. Their sacrifice—of life, limb, and family—is offered selflessly, trusting in the steadfastness of our Government to provide for their readiness and the needs of their families.

Many military families feel their sacrifices go unnoticed by a civilian society preoccupied with domestic concerns such as the economy and unemployment. Military families share those concerns. But they also feel the Nation is forgetting the price they alone have paid in 15 long years of war.

Trust in Government is essential to the long term viability of the All-Volunteer Force. That trust is reinforced through the predictability, efficiency, and fairness of compensation and benefits. Since 2006, throughout the wars in Iraq and Afghanistan, the Administration has proposed various benefit “reforms,” mostly in health care, which would have increased the financial burden of those who have served. The changes proposed in the fiscal year 2017 (FY17) budget, coupled with the arbitrary reductions forced by sequestration, undermine the trust military families have in the Government's commitment to support the All-Volunteer Force over the long term. This is a price the Nation cannot afford to pay.

Moreover, the Administration's proposals to cut pay increases, eliminate commissary savings, and increase health care costs pose significant risk to the financial well-being of military families. Congress must resist these changes.

The Administration Budget Proposal: A Disaster for Military Family Pocketbooks

The Administration's budget proposal has only added to the growing sense of frustration in the military community. Military families are financially savvy. They are doing the math and feel they are shouldering the burden for balancing the budget when they've shouldered the entire burden of the last 15 years of war.

PAY RAISE

For the fourth year in a row, the Administration is proposing a pay increase (1.6 percent) below the level of private sector wage increases. Congress chose the Employment Cost Index (ECI) as the standard for Active Duty pay raises in order to recruit and retain the quality of servicemembers needed to sustain the All-Volunteer Force. What's changed?

We ask Congress to keep military pay commensurate with service and aligned with private sector wage increases.

MILITARY HEALTH SYSTEM REFORM

We appreciate Congress has listened to beneficiary concerns regarding the Military Health System (MHS) and are gratified you want to make the MHS work better for all beneficiaries via military health care reform. We hope the changes Congress enacts will truly make a difference in military families' ability to access the right care, at the right time, and in the right place. Our families deserve no less.

Given the widespread and clearly-stated interest in Congress for MHS Reform this year, our Association had hoped the Department of Defense (DOD) budget proposal would outline plans to improve beneficiary access, quality, safety, and the patient experience in addition to addressing fiscal sustainability and protecting the medical readiness of the force. Instead, DOD has once again rebranded the same old system, incorporated numerous fee increases, and deemed it new and improved.

While we appreciate DOD's budget proposal has finally acknowledged several areas of deficiency within the MHS, simply cataloging the problems does not constitute institutional reform.

We are also concerned the new fee structure is designed to drive more care into Military Treatment Facilities (MTFs), but there are no additional resources identified in the budget proposal to increase MTF capacity, improve access, enhance quality, ensure provider and service member medical readiness, or accurately measure DOD progress in meeting these goals. We fear this scenario will exacerbate current access and quality problems.

On behalf of the military families we serve, we urge you to reject the fiscal year 2017 DOD health care proposal. It imposes higher fees without enhancing value to beneficiaries and we believe it will put more pressure on the direct care system—a system that frequently fails to fulfill the needs of its current users.

Why MHS Reform is Essential

Although its primary mission is military medical readiness, the MHS has an obligation to deliver a high quality health care benefit to military families, retirees and their families, and survivors. In too many instances, the MHS fails to fulfill this obligation.

In our testimony submitted for the record for this Subcommittee's February 23, 2016 hearing on military health care reform, we outlined our concerns the MHS would continue to nibble around the edges with the idea of reform: raising fees, but failing to deliver meaningful improvements to the system.¹ DOD's fiscal year 2017 budget proposal brings those fears to life by focusing on significant fee increases, particularly for retirees, while doing nothing substantive to improve health care delivery for military families.

The status quo is unacceptable. Raising out-of-pocket costs for care that is too often standard or simply inaccessible is unthinkable.

As you consider our feedback on DOD's health care proposal, please keep in mind the hurdles our military families regularly face when trying to obtain necessary health care:

On January 6, 2016, I called for an appointment with my PCM for a routine well-woman exam and to discuss throat pain that had been plaguing me. No appointments were available for 30 days with my provider, so they scheduled me for January 19 with another provider.

On the day of my appointment, I waited 90 minutes past my appointment time to see the doctor. It took 45 minutes for the nurse to take my history and vitals because she was interrupted no less than 12 times (I counted) by phone calls and leaving the room to find someone to screen her next patient.

During my routine exam, the doctor found a lump and recommended an early diagnostic mammogram. I called the next day and scheduled my appointment for Tuesday, February 9, three weeks away. On Feb 9, I had the mammogram, which confirmed the mass and identified other areas of concern. I had an ultrasound that day and was told by the radiologist that I would need a biopsy.

My referral for the biopsy was processed three days later on a Thursday evening. Since Friday was a training holiday and Monday was a federal holiday, I had to wait until Tuesday morning to call for my appointment. The PCM had suggested the biopsy should be done that week, but an appointment was not available until the first week of March and results would take another 5–10 days. I objected to this timeframe but, since the appointment was technically within 30 days from the date of the referral, it was considered acceptable—despite the fact that the issue had been identified a month prior and results would potentially take another two weeks. I requested a referral to a facility off-post to have the procedure done sooner and

¹National Military Family Association Statement for the record, Personnel Subcommittee of the Senate Armed Services Committee, February 23, 2017: <http://www.militaryfamily.org/assets/pdfs/testimony/sasc-hearing-2-23-16.pdf>

they declined to authorize that but offered me an appointment for four days earlier. So, now I wait.

I consider myself aggressively informed and an outspoken advocate. My PCM has sacrificed his personal time for my care, calling me twice from the office after 8pm to discuss my results and follow up referrals. Yet, here I am, at the mercy of an over-worked and inefficient system. The care I need was available this week in a local civilian facility, but won't be authorized due to procedures and rules. Two months to identify a potentially life threatening condition is too long, but it's the best I have been able to do. (Military Spouse)

This story illustrates the maddening inconsistency within the direct care system and the negative impact of TRICARE policy and MTF interpretations of that policy. On the one hand, this spouse has a dedicated medical provider and received immediate turnaround when her mammogram indicated an ultrasound was needed. On the other hand, office closures and inefficiencies created frustration and delay. Most significantly, TRICARE referral policy and the goal of recapturing care trumped the opinion of her medical provider and delayed her biopsy. Military families need a reliable patient centered health care system that consistently meets their needs.

In late 2015, our Association fielded a survey of 6,148 military spouse scholarship applicants, a population that has consistently matched the overall demographics of currently-serving families. Nearly 30 percent of respondents who use an MTF for primary care indicated they rarely or never get an acute appointment within the 24-hour access standard. This is consistent with findings from a health care survey fielded by the Military Officer Association of America (MOAA) in December 2015 in which 29 percent of Active Duty spouses reported they rarely or never get an acute care appointment within access standards.

We ask Congress to consider the access, consistency of care, and quality issues our families face across the entire MHS—direct care and purchased care segments—when seeking care as you evaluate TRICARE reform proposals. We would also invite anyone proposing reform to detail how their proposals would correct the areas of concern addressed by the Department's own Military Health System Review conducted in 2014.² How does the fiscal year 2017 budget proposal address the challenge areas identified in the MHS Review? How will this proposal drive progress in meeting the action items identified by then-Secretary of Defense Chuck Hagel in his October 1, 2014 memorandum?

We appreciate Congress has made TRICARE Reform a priority and trust reform efforts will focus on ensuring both the benefit and the system charged with delivering the benefit work better for military families.

TRICARE Select/Choice: Nothing More than Rebranded TRICARE Prime/Standard

At a time when there is widespread agreement the MHS must be reformed to better meet beneficiary needs, DOD has proposed nothing more than a rebranding of TRICARE Prime and Standard. The new TRICARE Select and TRICARE Choice options do nothing to improve the MHS for beneficiaries.

In the budget overview, DOD contends TRICARE Select/Choice offers greater choice at a modestly higher cost. Building on that, in a February 21, 2016 DefenseNews interview³, Dr. Jonathan Woodson, Assistant Secretary of Defense for Health Affairs, stated:

"In revising the plan, we listened to the beneficiaries. Beneficiaries want more choice. The preferred provider plan actually gives them the choice. They can go see the physicians they want when they want and it gives them much more latitude in self-managing their care. We also heard from beneficiaries that some wanted to be in this HMO-like managed care product. So that's what we did. We simplified all the varieties of programs we had into two. One, a preferred provider product which gives you self-managed abilities and great choice and the other is a managed care choice."

Although DOD and Dr. Woodson assert the new proposal provides beneficiaries with more choice, we fail to see how this is the case. Beneficiaries currently have a self-managed option called TRICARE Standard, which contains a PPO option called TRICARE Extra. Renaming TRICARE Standard as TRICARE Choice does nothing to increase options for beneficiaries.

²Secretary of Defense Military Health System Review Final Report: <http://www.health.mil/Military-Health-Topics/Access-Cost-Quality-and-Safety/MHS-Review>

³DefenseNews interview with Vago Muradian, 2/21/16: <http://www.defensenews.com/videos/defense-news/tv/2016/02/21/80700472/>

DOD's references to TRICARE Choice as a modern Preferred Provider Option (PPO) led us to hope expanded network coverage might be part of the proposal. However, when asked about expanded networks to ensure all beneficiaries have access to the PPO option, DOD stated networks will cover 85 percent of the population similar to current network coverage—yet again, no additional value to beneficiaries. Therefore, TRICARE Choice maintains the current options available under TRICARE Extra and TRICARE Standard. The only difference? Patients using a network provider under the PPO option of TRICARE Choice will pay a fixed co-payment instead of a reduced cost-share. Many patients will still have no option other than non-network providers, but will pay more for the privilege of using them because of the proposed “participation fee” for TRICARE Choice and the higher deductibles and catastrophic cap.

Our Association is concerned that even though the proposed plan outlines no discernible benefit to military families in terms of access to care or quality, it will result in implementation costs to DOD. In fact, DOD estimates Managed Care Support Contractor contract changes and other start-up costs will be \$57 million in fiscal year 2017.

Acknowledging Problems ≠ Fixing Problems

We appreciate that DOD has reached out to beneficiary organizations and listened to our concerns, as evidenced by Dr. Woodson's numerous public statements and are gratified the fiscal year 2017 budget acknowledges the Department must commit to institutional health care reform and implement targeted solutions to solve the variety of issues facing beneficiaries. Unfortunately, the budget proposal does little more than list some MHS problem areas including:

- Direct Care access problems
- Lack of first call resolution
- Cumbersome referral process resulting in administrative burdens and delayed access to care
- Lack of seamless mobility for beneficiaries who move around the globe
- Failure to properly address pediatric care issues

The proposal does not even acknowledge several additional areas where the MHS fails to meet beneficiary needs, including:

- Problems with Reserve Component coverage
- Failure to consistently issue referrals to TRICARE network providers when access standards cannot be met within the direct system
- Demand for behavioral health care that continues to outstrip supply in both direct and purchased care
- Variable quality and safety within the direct care system
- Inadequate medical case management services and Extended Care Health Option (ECHO) benefits for special needs families
- TRICARE coverage gaps, such as refusal to cover numerous lab developed tests, including noninvasive prenatal testing
- Customer service issues
- Inconsistent policy implementation at the MTF level

We believe MHS Reform demands credible and detailed plans to address deficiencies within the system. These plans must be accompanied by robust and reliable metrics to monitor progress.

New Fees and Fee Increases: The Primary Element of DOD Health Care “Reform”

We appreciate some elements of DOD's proposal adhere to key principles of military health care, including:

- Zero out-of-pocket costs for Active Duty Service Members (ADSMs)—nothing changes for ADSMs with DOD's proposal
- Minimal out-of-pocket cost option for Active Duty Family Members (ADFMs)
- Minimal out-of-pocket cost option for medically retired and their families and survivors—they are treated the same as ADFMs

We also appreciate DOD has removed the ER misuse fee included in the fiscal year 2016 proposal. Given acute care appointment shortages at some MTFs, together with inconsistently applied referral policies for civilian urgent care, many TRICARE Prime families face situations where the ER is their only option for care. It would be inappropriate to penalize military families for seeking care in the ER given direct care access challenges.

Active Duty Families—Fee Increase Specifics

Given the extraordinary risks, sacrifices and stressors associated with military service, it is critical any MHS Reform efforts maintain a minimal out-of-pocket cost option for Active Duty families. No/low out-of-pocket costs facilitate access to health care and contribute to overall family readiness. They also serve to recognize the value of military service.

We are gratified DOD's proposal offers a minimal out-of-pocket cost option for all Active Duty families. Past proposals have imposed out-of-pocket costs on families without access to an MTF. We appreciate DOD listened to our feedback and will allow remotely located Active Duty families to self-manage their care without incurring copays or deductibles.

While we are pleased TRICARE Select maintains a no/low cost option for Active Duty families, we do have some concerns regarding fee changes for ADFMs.

- ***TRICARE Select vs. TRICARE Prime—Out-of-Network Care:*** With TRICARE Prime, families who must use out-of-network care do not incur out-of-pocket costs if they follow Prime's referral and authorization process. With TRICARE Select, there are deductibles and cost shares associated with all out-of-network care. TRICARE Prime families who rely on out-of-network providers could see significant out-of-pocket costs with the new plan. We fear these costs will disproportionately affect special needs families.
- ***TRICARE Choice vs. TRICARE Standard:*** Utilization data for TRICARE Standard, the current TRICARE Choice equivalent, suggest Active Duty family members who opt to self-manage use significantly more health care than the average Prime enrolled ADFM.⁴ This is consistent with anecdotal evidence suggesting that within the ADFM population, special needs families and those dealing with chronic health conditions are the most likely to opt for TRICARE Standard. They are willing to incur out-of-pocket costs to avoid barriers to care prevalent in TRICARE Prime policy and the direct care system. How will the TRICARE Choice fee structure impact TRICARE Standard ADFMs?
 - ***Network deductible is eliminated*** to encourage use of network versus non-network providers. For families with moderate utilization, this change will likely lower total out-of-pocket costs. However, for special needs families with high utilization, eliminating the deductible only serves to spread costs out over a longer time period. We support eliminating the network deductible, but it is important to recognize it will provide minimal benefit for many TRICARE Choice families.
 - ***Out-of-network deductible is doubled.*** This will increase and/or accelerate out-of-pocket costs for those families who must rely on out-of-network care—most likely special needs families and those seeking behavioral health care (a known TRICARE network inadequacy issue.) Given that use of non-network providers is largely driven by inadequate network coverage, we believe it is inappropriate to double the out-of-network deductible.
 - ***Catastrophic cap is increased by 50 percent.*** The catastrophic cap is designed to protect families from financial hardship. Many families already incur out-of-pocket costs in excess of the catastrophic cap since the cap does not apply to any amount non-participating providers may charge above the TRICARE maximum allowable amount. Additionally, we know many families make the switch to TRICARE Standard after encountering difficulties with the direct care system or the referral/authorization process. We fear raising the catastrophic cap 50 percent will trap some military families in an underperforming direct care system by presenting a financial barrier to switching to TRICARE Standard/Choice. This will disproportionately impact special needs families, those with chronic conditions, and families seeking ongoing behavioral health care.

Retirees and Families—Fee Increase Specifics

Career military service can present significant obstacles to long-term financial stability, including compromised spouse employment, the inability to grow equity in a primary residence, and the unavoidable midlife career change upon military retirement. Military retirement benefits, including low cost health care, enable career military members to serve 20+ years and achieve long-term financial stability in spite of those challenges. Robust retirement benefits also serve to recognize the extraordinary sacrifices associated with a military career. **While we have always**

⁴Evaluation of the TRICARE Program fiscal year 2015. <http://www.health.mil/Military-Health-Topics/Access-Cost-Quality-and-Safety/Health-Care-Program-Evaluation/Annual-Evaluation-of-the-TRICARE-Program>

been willing to entertain modest fee increases for working-age retiree health care, we also believe fees must be contained to preserve the value of the retirement benefit.

Under the fiscal year 2017 DOD proposal, retirees face fee increases in almost every area. TRICARE Prime/Select participation fees would be increased and the plan again proposes a new participation fee for TRICARE Standard/Choice beneficiaries. The annual catastrophic cap for retiree families would be increased to \$4,000. Furthermore, participation fees would no longer accrue to the catastrophic cap, increasing potential total out-of-pocket costs. Of course, retiree families would also be subject to the doubled out-of-network deductible.

TRICARE Standard/Choice families are hit particularly hard. TRICARE Standard Retiree families who hit the catastrophic cap (primarily special needs families and those facing chronic conditions, including behavioral health challenges) face a 63 percent increase in potential out-of-pocket costs due to the new participation fee and higher catastrophic cap. These fee increases are particularly objectionable as they are not accompanied by any improvement in the Standard/Choice option, not even an acknowledgement of areas needing such improvement.

Another element resurrected in the fiscal year 2017 budget is an annual open enrollment period with payment of the participation fee. Retirees who fail to enroll during this time will forfeit coverage for the year, unless they can show they are eligible for enrollment due to a qualifying life event. **While we understand DOD's rationale for seeking clarity on how many beneficiaries will use their TRICARE benefit in a given year, we believe existing historical data and trend analysis can provide this information without the cost of implementing an enrollment fee process that restricts access to the earned health care benefit. We oppose the institution of beneficiary fees for the Standard/Choice option while beneficiaries are still waiting for DOD to make needed improvements.**

Our Association also continues to oppose instituting a DOD TRICARE for Life participation fee. Our Medicare-eligible beneficiaries—retirees, some severely wounded medically-retired service-members, and surviving spouses—already pay a high price just to maintain their TRICARE benefit, at least \$104.90 per month in Medicare Part B premiums. DOD should not impose additional costs on this population.

NMFA Perspective on Fiscal Year 2017 Fee Increases

Our Association rejects the notion military health care reform starts with the question: "How much should military families pay for their health care?" We believe the starting point for reform is a demonstrated ability to better meet beneficiary needs, together with a plan for continuous improvement and modernization of the health care benefit. Discussions about the appropriate level of out-of-pocket costs should follow, and those discussions should always be grounded in the principles of low/no cost health care for Active Duty families and retiree costs that reflect the extraordinary sacrifices associated with career military service and preserve the value of the retirement package.

We contend the fiscal year 2017 proposed out-of-pocket cost increases are too high given DOD's health care proposal provides no corresponding increase in value for military families. What is the value equation for military families? We believe value equals access to timely and appropriate care + the quality of that care + the overall patient experience divided by the cost of that care. The budget proposal, by focusing primarily on the cost of care to the beneficiary fails to address known MHS problems such as access, quality, and the direct care patient experience. It does not even acknowledge TRICARE coverage issues such as the failure to cover emerging treatments and technologies or lack of coverage for alternative therapies (such as chiropractic.) It also does not acknowledge the costs incurred by many families, whether monetary or borne from the frustration experienced when trying to access quality care in an environment with inconsistent rules and procedures.

Our Association also believes out-of-pocket fee increases must be used only to sustain or improve the health care benefit. We will not support fee increases that fund other DOD initiatives such as lump sum retirement payouts.

Our Association is willing to consider modest out-of-pocket cost increases only if they correspond to enhanced value for beneficiaries and are used only to sustain or improve the military health care benefit.

National Health Expenditures Index

Over and above the cost increases specific to fiscal year 2017, the DOD proposal would inflate out-of-pocket costs annually by the National Health Expenditures

(NHE) Per Capita Index. Although the only mention of the NHE Index occurs in the participation fee section of the fiscal year 2017 budget, senior Defense officials have clarified the Index would apply to all out-of-pocket costs including copays, deductibles, and catastrophic caps.

For 2014–24, per capita health spending is projected to grow at an average rate of 4.9 percent.⁵ This far outstrips recent military retirement cost of living allowances (COLA) and MHS pending growth, which has leveled off in recent years. An index this high would reduce the overall value of the military retirement benefit as health care costs would outpace COLA. It also shifts the cost burden of the health care benefit from DOD to beneficiaries over time.

Recognizing the fiscal environment meant some fee increases were inevitable, we did not oppose recent TRICARE pharmacy fee hikes. We now have a pharmacy benefit with copays that mirror those of many commercial plans. Our Association is concerned the DOD proposal sets us on a path to an overall health benefit, particularly for retirees, that is not sufficiently differentiated from civilian plans in terms of costs. That outcome is unacceptable.

It is unrealistic to think military health care out-of-pocket costs will never change. We acknowledge it is preferable to increase some beneficiary fees slowly over time versus sporadically implementing larger increases, the rationale for which is not transparent to the beneficiary. Not only would a fee index be more predictable, but it would set clear beneficiary expectations for out-of-pocket costs. An ambiguously defined health care benefit, together with careless verbal promises, has led to feelings of disappointment and betrayal, particularly among military retirees. A clearly defined health care benefit is vital for the future of the All-Volunteer Force. Career military service must not become a buyer beware proposition.

That said, we believe **the NHE Per Capita Index—far higher than recent COLA or MHS spending growth rates—is too steep and will result in a health benefit with reduced value that does not adequately protect military families from health care related financial risk.** Any mechanism for indexing fees must be designed to ensure out-of-pocket costs remain significantly lower than civilian plans. An index designed to shift the health care cost burden from DOD to retirees, such as the proposed NHE index, is unacceptable.

Concerns Regarding Fiscal Year 2017 Health Care Recapture Strategy

Changes in the TRICARE fee structure are designed to drive more patient care into the direct system. While we appreciate the need to better leverage the MHS's fixed facility and military medical personnel investments, we are concerned increased demand will exacerbate MTF appointment access problems.

In Congressional testimony, Dr. Woodson has stated the **fiscal year 2017 proposal includes zero additional direct care resources to address increased demand for MTF services.** Instead, DOD plans to handle the extra patient load by extracting efficiencies from the existing system via extended MTF hours on evenings and weekends and expanded use of technology including secure messaging, telehealth, and the Nurse Advice Line. We believe this plan is unrealistic and inadequate for addressing increased demand and believe all of these “efficiencies” will actually take resources to implement. We have the following concerns:

- **Secure Messaging and the Nurse Advice Line (NAL)** are already in place and do not appear to have had much impact on beneficiary appointment access challenges. In fact, DOD has failed to address known billing problems related to NAL authorized urgent care, leading to growing distrust of the NAL within the military family community. DOD must provide specifics on how they will better leverage these technologies to free up additional capacity within the direct care system. Simply hoping or planning that increased Secure Messaging and NAL use will lead to greater efficiencies is not an acceptable solution to the inevitable influx of MTF patients under the fiscal year 2017 proposal.
- While we are optimistic about the possibilities surrounding **telehealth**, we are skeptical DOD will have a comprehensive telehealth platform up and running by the projected TRICARE Choice/Select launch date of January 2018. We are even more skeptical that a newly introduced telehealth system will immediately be able to absorb enough clinical care to address the increased demand resulting from DOD's proposed TRICARE Select/Choice fee structure.
- **Readiness requirements** limit the availability of military medical personnel for beneficiary health care delivery. We are not convinced DOD has a full un-

⁵NHE Fact Sheet: <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nhe-fact-sheet.html>

derstanding of MTF capacity for beneficiary care given the readiness requirements demanded of military medical staff. Our concern is increased beneficiary demand will lead to either greater access problems or compromised military medical readiness.

Not only has DOD proposed an unrealistic and inadequate plan to address increased demand posed by the fiscal year 2017 proposal, **we are not convinced DOD has the ability to measure MTF capacity for beneficiary care, demand for MTF services, or MTF performance against appointment access standards.** In a recent meeting with leadership from DHA and the Services' medical commands, it became clear DOD continues to use the same flawed measure to evaluate beneficiary access to acute appointments that was discredited during the 2014 MHS Review. This misleading measure reports the percent of acute appointments scheduled within access standards but does not track suppressed demand or those beneficiaries who are directed to the NAL, civilian urgent care, or the ER. To successfully transition significantly more care into the MTFs, it will be vital to quantify additional demand and pinpoint areas where beneficiary needs are not being met so adjustments can be made. Without proper metrics, it will be impossible to monitor progress against MHS Reform goals for improving access, quality, safety, and the patient experience.

Health Care Final Thoughts

Our Association urges you to reject not only the specifics contained in the fiscal year 2017 budget proposal, but also DOD's approach to MHS Reform. We strongly believe MHS Reform starts with tangible improvements to access, quality, safety, and the patient experience. We realize costs will also be a key component of reform and trust you will ensure they reflect the value of military service.

The military is a uniquely demanding profession. The combination of risk to personal safety, frequent geographic relocations, and lengthy family separations is unmatched in the civilian sector. While no financial compensation can fully offset the sacrifices made by servicemembers and their families, it is imperative the compensation and benefits package—including Active Duty and retiree military health care benefits—reflect the costs of service.

We appreciate that recent MHS Reform proposals, including DOD's fiscal year 2017 budget and the Military Compensation and Retirement Modernization Commission (MCRMC) proposal, adhere to the principle of no/low cost care for Active Duty family members. A robust health care benefit alleviates barriers to health care, enhances family readiness, and allows families to endure the many sacrifices associated with military life. We hope as Congress considers reforms you will maintain this aspect of the system—it is working and it is essential.

As you deliberate on the appropriate fee levels for working-age retirees, we encourage you to consider the cumulative effects of a military career. Under the best of circumstances, career servicemembers and their families endure risk, upheaval and sacrifice on a scale that is unimaginable to many civilians. Those currently approaching retirement eligibility have served the greater part of their careers during wartime—a time characterized by relentlessly high operational tempo, multiple combat deployments, and tumultuous unpredictability. For nearly 15 years, our servicemembers and their families have done everything that was asked of them, often at great expense to their family relationships and stability and physical and mental health. It's not over yet. Young servicemembers currently contemplating their futures do so with the understanding global threats persist and extraordinary wartime sacrifices and uncertainty will be part and parcel of a military career for the foreseeable future. For those who endure for 20+ years, we contend the appropriate out-of-pocket costs for retiree health care not just be billed as “a discount off the comparable civilian equivalent.”

COMMISSARY

Military families consistently tell us the commissary is one of their most valued benefits. The savings military families realize by shopping at the commissary is a vital non-pay benefit essential to many families' financial well-being, particularly junior families, and those stationed overseas or in remote locations. Our Association is grateful Congress recognized the importance of this benefit to military families and rejected funding cuts included in the Administration's fiscal year 2016 budget proposal.

In December 2015, DOD released a fact sheet outlining plans to “optimize” commissary operations. We were pleased to see in this fact sheet both an acknowledgement of the importance of the commissary benefit and a commitment to preserving the value of the benefit for military families. However, we have concerns about how

the Department's plans will be put into practice and how military families will be affected by efforts to optimize commissary operations. This is especially true in light of the Administration's fiscal year 2017 budget, which proposes a \$200 million reduction in commissary appropriations. We would like information about how DOD intends to make those cuts and what impact, if any, the cuts will have on store operations.

Specifically, we ask Congress to require DOD to provide answers to the following questions:

- How does the Department intend to measure the benefits of the commissary system as currently constructed, and what metrics will it use to ensure any changes do not lead to a reduction in those benefits?
- How will the Department implement price flexibility while ensuring families continue to receive the full value of the commissary benefit?

The fiscal year 2016 NDAA authorized DOD to establish pilot programs that would evaluate the feasibility of various changes to commissary operations, including privatizing part or all of the system. We thank Congress for its emphasis on preserving savings for military families in this provision. However, we note the military resale system is highly interdependent; changes to one element of the system may have unintended consequences that will affect other parts. For example, if one or more high volume store is privatized will the Defense Commissary Agency (DeCA) still benefit from economies of scale that allow vendors to sell goods at low cost? What would removing those high volume stores from the system mean for smaller stores or those in remote locations? We urge Congress to carefully consider the effect any change in commissary operations will have on military families—particularly, the risk the savings they enjoy by shopping at the commissary will be reduced or lost.

MILITARY RETIREMENT SYSTEM

We appreciate Congress' efforts in the fiscal year 2016 NDAA to create a military retirement system that will allow more servicemembers to accumulate retirement savings while preserving the defined benefit for those who serve a full career. We also support those proposals in the fiscal year 2017 budget that would enhance the retirement plan and increase its value for servicemembers.

We ask Congress to increase the maximum level of matched contributions to servicemembers' Thrift Savings Plan (TSP) accounts to 5 percent—the level recommended by the MCRMC. Because the match is based on servicemembers' basic pay, rather than total compensation, servicemembers should have the option of a higher match in order to maximize their retirement savings. We also ask Congress to extend the Government match for the full career of the service member, rather than ending it at 26 years of service.

We oppose the Department's proposal to delay matching contributions until the service member has completed four years of service. In order for servicemembers to maximize the value of the new plan, they must be incentivized to begin saving early in their career. Without the incentive of a Government match, some servicemembers may delay their retirement savings, leading to a greatly diminished benefit in the long term.

Finally, we note on January 1, 2018 servicemembers with less than 12 years of service will be given the choice of opting in to the new retirement system or staying in the old one—a momentous decision with the potential for significant financial ramifications. It is incumbent upon the Department to ensure these young servicemembers—and their spouses—are given the tools and resources they need to make this decision. In the view of our Association, online training is not sufficient. Service members and spouses require in-person training and guidance to answer their questions and ensure they make the best choice for their long-term financial well-being. We ask Congress to direct DOD to provide additional details on its plan to educate servicemembers and their spouses on the new retirement system.

We ask Congress to increase the maximum level of matched contributions to servicemembers' TSP accounts to 5 percent and reject DOD's proposal to delay matching contributions until the service member completes four year of service.

We also ask Congress to direct DOD to provide details on its plan to educate servicemembers and their spouses on the new retirement system.

CUMULATIVE EFFECTS OF CUTS THREATEN MILITARY FAMILIES' FINANCIAL WELL-BEING

The Administration's fiscal year 2017 budget proposal does not consider the cumulative effects of a reduced pay raise combined with lower BAH payments, loss of

commissary savings, and possible out-of-pocket health care costs on the purchasing power of servicemembers and their families. This budget proposal would reduce cash in a service member's pocket!

We ask Congress to reject budget proposals that threaten military family financial well-being as a way to save.

SEQUESTRATION: AN ONGOING THREAT TO FAMILY READINESS

The effects of sequestration have already resulted in cuts to benefits and programs military families utilize to maintain their readiness. Much of the funding for these programs is embedded in the Service Operations and Maintenance Accounts, which have been the hardest-hit by sequestration. Understanding what is affected by sequestration has been confusing for families.

The total effect of sequestration on military families is unclear. What is clear is that military families do not deserve having to deal with such uncertainty—uncertainty of the availability of programs they rely on, uncertainty of whether their service member will receive the training they need to do their job safely, the uncertainty of not knowing what new cost they will be asked to absorb from their own pockets.

While the Bipartisan Budget Act of 2015 has provided some relief for fiscal year 2016 and fiscal year 2017, we know with future cuts required down the road, military families will continue to see threats to the programs and resources they require for readiness.

We ask Congress to end sequestration and end the threat to the resources military families depend on for their readiness.

BUILDING THE FORCE OF THE FUTURE: WHAT DO TODAY'S MILITARY FAMILIES NEED?

It has often been said while the military recruits a service member, it must retain a family. Our Association has long argued in order to build and maintain the quality force our Nation demands, the military must support servicemembers as they balance the competing demands of military service and family life. Thus, we were gratified to see significant family-focused proposals included in Defense Secretary Ashton Carter's recent Force of the Future initiative. However, while the Force of the Future initiatives, if implemented, can be an important first step in easing the strain faced by many servicemembers and their families, we urge Congress to continue to strengthen the programs and services available to support all troops and families in diminishing uncertainty and meeting the daily challenges of military life.

MATERNITY, PATERNITY AND ADOPTION LEAVE

We commend Secretary Carter for providing 12 weeks of maternity leave for new mothers in every branch of service. While this does unfortunately represent a reduction from the 18 weeks previously available to women in the Navy and Marine Corps, we agree with the Secretary this is a benefit that should be standard across the services. Increasing maternity leave from six weeks, as was previously the case in the Army and Air Force, will allow new mothers to recover physically and bond with their newborns before resuming their demanding jobs.

We also applaud the Secretary for recognizing the need for new fathers and adoptive parents to spend time with their children.

We ask Congress to act on the Secretary's proposal to expand paternity leave to 14 days and to allow two weeks of adoption leave to both parents in dual-service families.

CHILD CARE

According to the *2014 Demographics Profile of the Military Community*, more than 40 percent of servicemembers have children. Of the nearly two million military-connected children, the largest cohort—almost 38 percent—is under age five.⁶ Thus, it is not surprising access to high-quality, affordable child care ranks among the top concerns for military families. Like all working parents, servicemembers with young children need access to affordable child care in order to do their jobs. However, the military lifestyle comes with unique challenges and complications for families. Service members rarely live near extended family who might be able to assist with child care. Their jobs frequently demand long hours, including duty overnight. They are often stationed in communities where child care is expensive or unavailable.

⁶2014 Demographics Profile of the Military Community. Rep. Office of the Deputy Assistant Secretary of Defense (Military Community and Family Policy), <http://download.militaryonesource.mil/12038/MOS/Reports/2014-Demographics-Report.pdf>

We are gratified in recent years DOD has made child care a priority and has taken steps to improve families' access to child care. We were also pleased to see child care provisions such as expanded hours for installation child development centers (CDCs) included in the Force of the Future initiatives. However, while expanded CDC hours will address the needs of some military families, we urge Congress and the Department to consider additional steps in order to meet the needs of military families with young children.

- **Improve access to installation-based care:** For families living on or near a military installation, on-base CDCs are often the preferred choice for child care, offering a convenient location and high quality care at an affordable price. However, in some locations demand for spots at installation CDCs far outstrips supply. In many places the waiting list is so long the CDC is effectively not an option for military families. The problem is exacerbated by the frequent moves associated with military life. Following each PCS move, a military family must restart the process of looking for care in their new community and frequently find themselves again at the bottom of the waiting list. In some locations, the issue is lack of physical capacity. However, there are other obstacles hindering military families' access to care. DOD could alleviate some of the shortage of on-installation child care spots by addressing the following issues:
 - **Staffing:** In some locations the reason for the insufficient supply of on-base care is not a lack of space; it is a lack of staff. The process of hiring CDC personnel is lengthy and arduous. It can be difficult for CDC directors to find, hire, and put into place qualified staff. This limits the number of children a facility can serve. DOD should analyze whether and how the hiring process can be streamlined while still ensuring that necessary background checks and training take place to ensure children's safety. We also endorse the recommendation made by the MCRMC that child care workers be exempt from furloughs and hiring freezes. Budget cuts should not prevent CDC directors from staffing their facilities appropriately.
 - **Wait list management:** Typically, each CDC handles its own application process and waiting list, so families often must visit multiple facilities and submit applications for each hoping a spot becomes available. This process adds to families' frustration. We are hopeful the rollout of MilitaryChildCare.com to installations worldwide will alleviate this issue. MilitaryChildCare.com is DOD's website that allows parents to view all installation-based child care options at their location and request a spot for their child. We are told the site will provide greater visibility of waiting lists, so parents know how long they will have to wait for care and the services can determine whether access standards are being met. The site is currently utilized at selected installations, but is scheduled to be available worldwide later this year.
 - **Priority standards:** DOD regulations give equal priority for child care spots to military families and DOD civilians. While DOD civilians also need access to quality, affordable child care, this policy puts military families at a disadvantage due to their frequent military-ordered moves. Each PCS move puts a military family at the bottom of the waiting list for child care. We urge you to ask DOD to assess usage of CDCs by DOD civilians and review child care wait list priority policies to ensure parity for mobile military families.
- **Reinstate the authority to use Operation and Maintenance funds to construct child development centers:** Prior to 2009, DOD was given temporary authority to bypass the normal military construction approval process and use Operation and Maintenance (O&M) funds to construct CDCs. Under this authority, the services were able to respond quickly to the growing demand for child care and completed construction and renovation projects that allowed them to serve an additional 9,000 children. This authority lapsed in 2009. In its January 2015 report, the MCRMC recommended this authority be reinstated. We agree with the Commission's recommendation.
- **Increase participation in the child care fee assistance program:** The fee assistance program operated by the services is an innovative, effective approach to the problem of insufficient child care availability on base. The program helps offset the cost of child care in the civilian community, ensuring participating families can access high quality care at an affordable cost. Despite recent well-publicized issues with the Army's program, participating families overall report a high level of satisfaction with the program. However, relatively few families are able to take advantage of this benefit. Expanding

participation in the child care fee assistance program would address many families' child care needs. We recommend the following steps:

- **Increase number of eligible providers:** DOD has stringent requirements for child care providers participating in the fee assistance program, to include national certification, regular inspections, and background checks. However, many states have less stringent requirements for providers. In those locations, families often have difficulty locating a provider who meets DOD's eligibility requirements. The Office of Military Community and Family Policy and the Defense State Liaison Office (DSLO) have worked together to encourage states to increase their standards to meet DOD's and have had a great deal of success in this regard. We encourage them to continue with this effort.
- **Standardize Service requirements:** Because the fee assistance programs are operated by the individual Services, there are variations in eligibility requirements for providers and families. Some Services require families live a certain distance from an installation in order to participate in the program; others have no geographic restrictions. The Marine Corps requires providers to have a specific national certification that is not required by the other Services. These differences lead to confusion and frustration among families. We ask you to direct DOD to review Services' fee assistance programs with the goal of standardizing eligibility requirements.
- **Raise awareness of the program among military families:** We consistently encounter families who have no idea the fee assistance program exists. From our experience, it would seem most families learn about the program through word of mouth from other military families. If families are not aware of the fee assistance program and cannot obtain care on base they may be forced to seek out less than optimal caregivers who provide care at a lower cost. DOD must ensure the Services are providing information about the fee assistance program to eligible families to ensure military children are receiving quality care.
- **Increase availability of part-time and hourly care:** Although the focus of the installation child care program is understandably on meeting the needs of military families with two working parents, many families also tell us of the importance of hourly or drop-in care. Many military families—especially those overseas or in remote locations—do not have easy access to reliable caregivers. For those families, access to drop-in care at an installation child care facility can greatly enhance their quality of life, enabling parents to go to medical appointments, run errands, and volunteer in their communities. This service can be especially vital when the service member is deployed, providing the at-home parent with a much needed break. We hear from families in many locations budget cuts have led CDCs to reduce or eliminate drop-in care. DOD should evaluate the programs at installation CDCs to ensure the mix of care offered—full-time, part-time and hourly—meets the needs of the families they serve.

MILITARY CHILDREN'S EDUCATION

Our Association has long argued DOD has a responsibility to support the schools charged with educating military-connected children, to help ensure military kids receive the best possible education. Military families often have no control over when and where they move. They worry about the effect multiple moves to locations with varying standards and curricula will have on their children's academic achievement. ***We urge Congress to continue funding programs designed to support the education of military-connected children.***

Impact Aid

We appreciate the inclusion of \$30 million for DOD Impact Aid in the fiscal year 2016 NDAA. We ask Congress to continue this funding to offset the costs incurred by districts educating large numbers of military children. These funds help local school districts meet the education needs of military children in an era of declining state budgets. Our Association has long believed both DOD and Department of Education Impact Aid funding are critical to ensuring school districts can provide quality education for military children.

Department of Defense Education Activity Grant Program

The *John Warner National Defense Authorization Act* for fiscal year 2007 established a grant program, administered by the Department of Defense Education Activity (DODEA), to support public schools educating large numbers of military chil-

dren. This innovative program allows DOD to offer tangible support to public schools charged with educating military-connected students. Schools and school districts are able to identify areas of need among the military children they serve and design programs to meet those needs. The grants have been used to bring Advanced Placement (AP) courses to high schools that would otherwise not be able to provide this level of instruction. Other grants have been used to fund special education, foreign language instruction, and programs to enhance students' education in reading, science, and math.

Since 2009 this program has awarded nearly \$400 million in grants to over 180 military-connected school districts. These three-year projects have supported nearly 500,000 military-connected students in 2,200 schools. However, this valuable program will sunset at the end of fiscal year 2016 absent Congressional action. It would be regrettable if military children lose access to the valuable educational programs that have been made possible through the DODEA grant program. A relatively small investment can make a huge impact at the local level. We ask Congress to reauthorize the DODEA grant program and allow DOD to continue supporting military-connected children in public schools.

SPOUSE EMPLOYMENT AND EDUCATION SUPPORT

Spouse employment and education support is a critical component of military family readiness. Much like their civilian counterparts, many military families rely on two incomes in order to help make ends meet. However, military spouses face barriers hindering their educational pursuits and career progression due in large part to challenges associated with the military lifestyle.

We are gratified in recent years Congress, DOD, the White House, and States have all taken steps to lessen the burden of an Active Duty member's military career on military spouses' educational and career ambitions. We fully support these initiatives including DOD's portfolio of Spouse Education and Career Opportunities (SECO), which includes educational funding for select military spouses, career counseling, employment support, and the DOD State Liaison Office's (DSLO) state-level initiatives. However, while progress has been made, military spouses continue to face significantly lower earnings and higher levels of unemployment and underemployment than their civilian counterparts greatly impacting their families' financial stability.⁷

Grow our Own

One of our top legislative priorities is to ensure adequate access to behavioral health providers who are attuned to the unique stressors of military life for servicemembers and their families who have endured years of repeated deployments, long separations, and possible injuries or illnesses. We support efforts to educate and employ military spouses as mental health professionals.

As military families struggle to cope with the effects of 15 years of war, we are seeing an increasing demand for mental health services within our families and community. Since 2004, NMFA's military spouse scholarship and professional funds program has had more than 73,000 applicants. Data from this year's 7,000+ scholarship applicants, as well as from Active Duty spouse respondents to MOAA's 2015 health care survey, indicate alarming rates of behavioral health usage among military families. Both surveys show between 40–50 percent of military spouses have sought behavioral health care for someone in their family.

Unfortunately, access to top-notch care is limited. The shortage of mental health professionals nationally is mirrored in the military community; it is even greater at military installations in remote areas. We believe our Nation has an obligation to prevent, diagnose, and treat the mental health needs of servicemembers and their families. Doing so in the face of a nationwide shortage of mental health professionals will require innovative solutions and strategic public-private partnerships including Congress, DOD, the VA, and other organizations. We believe military spouses may also be a source of help for their community.

Each year we've offered military spouse scholarships, the number of spouses pursuing mental health careers and seeking help furthering their education has increased. This number reached almost 10 percent of our applicant pool of 7,000+ in 2016—more than 600 spouses. Twenty-one percent of these mental health profession applicants are spouses of wounded or fallen servicemembers. In a recent February 2016 Facebook post a Marine Corps spouse shared an experience all too common for military spouse mental health professionals:

⁷Institute for Veterans and Military Families, Military Spouse Employment Report, Syracuse University (IVMF) February 2014: <http://vets.syr.edu/wp-content/uploads/2014/02/MilitarySpouseEmploymentReport—2013.pdf>

"I'm looking for fellow military spouses who have completed the practicum and internship process for clinical mental health counseling or who have earned their LPC or LPCC by following California, Arizona, or North Carolina state requirements. We are currently stationed at Camp Pendleton, CA and I will start my practicum this June. I have excelled in my graduate program and now I am facing major challenges finding a facility that doesn't require a year sign-on and who has openings for new interns starting this summer. One specific problem I'm facing is we aren't sure when new orders will come or where they will be (making it additionally hard to convince licensed supervisors to take a new intern on if I will only be there for a couple months). Is there anyone who can share a professional contact with me?"

Many of our military spouses pursuing careers in mental health fields intend to serve military families. Helping these spouses overcome obstacles and pursue their careers has the dual benefit of assisting the individual spouse and family while addressing the shortage of mental health providers in the military community.

We offer the following recommendations for Congress to consider:

- Include military spouses and others who enter the mental health profession in federal loan-forgiveness programs;
- Facilitate easier paths to both licensure and employment for military spouses and veterans in the mental health field when they work with our servicemembers and families;
- Provide a tax credit for spouses' re-licensing after a military move to offset the out-of-pocket cost of the additional license;
- Pass legislation to allow military spouses full reciprocity when transferring an Active unrestricted mental or behavioral health license from one state to another due to PCS;
- Support partnerships between the Military Health System and the VA to ease spouse difficulties in obtaining clinical supervision hours, reduce licensing barriers, and spur employment of military spouses and veterans in the mental health field.

We ask Congress to increase access to behavioral health providers by supporting employment efforts of military spouses in the mental health profession.

OFFICE OF SPECIAL NEEDS AND THE SERVICES' EXCEPTIONAL FAMILY MEMBER PROGRAMS: MORE OVERSIGHT IS REQUIRED

The Department of Defense Office of Special Needs (OSN) was created in the fiscal year 2010 National Defense Authorization Act (fiscal year 2010 NDAA) (Public Law 111-84) to enhance and improve DOD support around the world for military families with special needs, whether medical or educational. Despite the establishment of the OSN, gaps in support to special needs military families still exist, due in part to differences among the various Services' Exceptional Family Member programs (EFMP).

The EFMP is intended to perform three interrelated functions:

- (1) Identify and enroll eligible family members;
- (2) Coordinate the assignment process to ensure special needs families are not sent to locations that lack adequate resources; and
- (3) Provide families with information about and referral to local resources.

While some Services take a centralized approach to EFMP, with enrollment, assignments, and case management services all housed in a single office, other Services' programs are more stovepiped. When a breakdown in communication occurs, families may find themselves assigned to locations without appropriate medical or educational services for their special needs family member or unaware of resources available to them through their communities. We often hear from families who experience a long wait before receiving services at their new installations because of lack of communication between EFMP Coordinators at the old and new installations. Families need the reassurance they will have continuity of care and a warm hand-off as they move from installation to installation.

A 2012 GAO [Government Accountability Office] report, *Better Oversight Needed to Improve Services for Children with Special Needs*, (GAO-12-680, September 10, 2012) noted there are no Department-wide benchmarks to set standards for the services' EFM programs. As a result, the Department is unable to assess the effectiveness of the branches' EFM programs and ensure improvements are made when needed. In addition, although OSN was created to enhance and monitor the military

branches' support for families with special needs, it has no authority to compel the branches to comply with DOD or Service-level program requirements and it has no direct means by which to hold them accountable if they fail to do so.

DOD must comply with the GAO recommendations and establish benchmarks and performance goals for the EFM program. We further ask OSN to develop and implement a process for ensuring the branches' compliance with EFM program requirements.

We ask DOD and the Services to set a common standard of support families can expect to receive through the EFMP. Families have the right to expect a level of service for their special needs family members regardless of the color of the uniform they wear. This is especially important as joint basing becomes more common and when families from one Service live and work on installations operated by another.

Respite Care

Families with special needs children have unique child care needs. For those families, dropping a child off at a day care center or with a sitter may not be an option. Instead, parents of special needs children need respite care provided by trained caregivers. Access to quality respite care allows families to run errands, spend time with other children, and simply recharge. Recognizing the importance of respite care, especially for military families far from the support of friends or extended family, the Services have provided respite care for military families with eligible special needs family members as part of the EFMP family support function. However, because the respite care programs are operated and funded by each of the individual Services, eligibility requirements and the number of respite care hours available to families vary. This is a significant source of frustration to families assigned to joint bases or installations managed by other Services. We are also concerned the current fiscal environment may lead the Services to reduce the level of respite care they offer.

Special Needs Navigators and Case Management Not Implemented

The fiscal year 2010 NDAA included specific directives for providing family support and case management services to better serve military families with special needs family members. Despite the intent of the legislation, those services have not yet been fully implemented, leaving families struggling to locate resources in their communities and manage their complex medical and non-medical needs.

The fiscal year 2010 NDAA directed installation EFM programs to include "Special Needs Navigators" to help families find programs and resources available in their civilian communities. In locations where Special Need Navigators are part of the EFMP, families report a high level of satisfaction with the service and support they receive. However, few installation EFMPs include Special Needs Navigators.

We urge DOD to meet the minimum level of family support coordination outlined in the fiscal year 2010 NDAA by expanding access to Special Needs Navigators.

The fiscal year 2010 NDAA also emphasizes the need for enhanced case management support. Case management is specifically mentioned three times in the legislation:

- In addressing support for military families, the Office shall develop a uniform policy that shall include DOD requirements for resources (including staffing) to ensure the availability of appropriate numbers of case managers to provide individualized support for military families with special needs.
- The program shall provide for timely access to individual case managers and counselors on matters relating to special needs.
- Each program shall provide for appropriate numbers of case managers for the development and oversight of individualized services plans for educational and medical support for military families with special needs.

Additionally, the fiscal year 2010 NDAA Conference Report language makes clear the importance of case management support for special needs military families:

"The conferees expect that implementation of this section will result in substantial improvements in identification and outreach to larger numbers of individuals who need support and coordination of available services, expansion of case management services, more direct training and counseling for parents and families, and timely access to information and referral to both Department of Defense and other federal, State, and local special needs resources and services. The conferees direct the Secretary to examine ways to mitigate the challenges for families who may be disadvantaged by relocation during their military service, and to ensure that enrollment in the Ex-

ceptional Family Member Program, or any successor to that program, is perceived as a positive and necessary family readiness resource.”

Unfortunately, recently-released EFMP proposed regulations provide few details on case management services. There are no specifics regarding case manager requirements, acceptable case management access standards, or requirements for the development and updating of individualized service plans (medical and educational) for military families with special needs. We regularly hear from special needs families who are not getting sufficient support from case managers in terms of establishing initial care, or re-establishing services following a PCS [permanent change of station], for their special needs family member.

Given the critical role of case managers, DOD must expand access to high quality case management services for special needs families.

Section 582 of the fiscal year 2011 NDAA, Enhancement of Community Support for Military Families with Special Needs, included two provisions that have not been implemented to date:

- (1) Periodic reviews of the best practices in the United States in the provision of medical and educational services to children with special needs, and
- (2) Establishment of an advisory panel on community support for military families with special needs.

DOD should conduct period reviews on the best practices in providing medical and educational services to special needs children. DOD should also establish an advisory panel on community support for special needs military families.

Access to Health Care for Military Special Needs Families

Caring for a special needs family member can be difficult and draining for any family. However, the impact for military families is magnified by the unique challenges associated with military service. Frequent geographic relocations are a fact of life for military families. A geographic relocation will, by definition, disrupt the continuity of care that is so important in managing complex medical conditions. After every move, special needs military families must begin a lengthy cycle of referrals, authorizations, and waitlists at each new duty station, resulting in repeated gaps in care. A nationwide shortage in pediatric specialists means even when families have successfully navigated the authorization and referral process at their new location, they may face a delay of weeks or even months before treatment can restart. Military families fear these repeated treatment delays have a cumulative and permanent negative effect on their special needs family members.

It is frustrating for military parents to know these treatment delays could be mitigated if the process for accessing specialty care were more flexible and streamlined to address the unique aspects of military life. Unfortunately, TRICARE’s rigid referral and authorization process—made even more difficult by varying Military Treatment Facility (MTF) procedures—too often hinders the transition process for military families rather than facilitating it. In addition, providers often tell us working with TRICARE is overly complex. Many choose not to participate in the TRICARE network because it is too difficult to navigate and administer. The resulting shortage of TRICARE network providers further impedes families’ access to specialty care.

We appreciate the Administration’s fiscal year 2017 budget proposal has acknowledged the need for an improved referral process that provides seamless mobility and fewer administrative burdens. Changes to the referral process should make specialty care access more flexible and streamlined to address the unique aspects of military life without forcing Active Duty families to pay more out-of-pocket.

For special needs military families, frequent relocation presents another obstacle: the inability to qualify for services through Medicaid waivers. Caring for children with complex medical needs can be incredibly expensive. We appreciate the MCRMC recognized this problem faced by our families with special needs. Most civilian families in this situation ultimately receive some form of public assistance, typically through state Medicaid waivers. State Medicaid programs provide assistance not covered by TRICARE: respite care, employment support, housing, supplies, and more flexible medical coverage. Because the demand for these services far outstrips the supply, there is a lengthy waiting list to receive assistance in most states. For

that reason, these services are often out of reach for a military family who must relocate every two to three years. A military family who places their special needs child on a Medicaid waiver waiting list must start again at the bottom of the waiting list when they move to a new state. The Defense State Liaison Office (DSLO) has recognized military families’ inability to access care through Medicaid waivers

as one of its high priority issues and is working with state legislatures to address this problem. However, little progress has been made in resolving this disparity.

TRICARE's Extended Care Health Option (ECHO) program was designed in part to address this imbalance, by allowing families to access non-medical services not covered under TRICARE. According to TRICARE's website, benefits covered under ECHO include "training, rehabilitation, special education, assistive technology devices, institutional care in private nonprofit, public and State institutions/facilities and, if appropriate, transportation to and from such institutions/facilities, home health care and respite care for the primary caregiver of the ECHO-registered beneficiary." However, in practice military families find it difficult to obtain services through the program.

This reality was reflected in TRICARE's May 30, 2013 report, *The Department of Defense Report to Congress on Participation in the Extended Care Health Option (ECHO)*, detailing military families' usage of the ECHO benefit. They reported, in 2012, 99 percent of funds expended through the ECHO program were spent on Applied Behavioral Analysis (ABA) therapy and ECHO Home Health Care (EHHC). Although these services are important and popular with special needs families, it is impossible to see this statistic and not wonder why families are not accessing the long list of other services ostensibly available to them under ECHO.

The MCRMC also found ECHO benefits, as currently implemented, are not robust enough to replace state waiver programs.⁸ DOD has assured our Association they are working on ECHO improvements. However, other than a policy update to cover incontinence supplies, we have heard no specifics. **Given the importance of ECHO to special needs families, DOD must examine how to bring the ECHO benefit on par with state Medicaid waiver benefits.**

Another service much in demand by families is respite care. For families with special needs children, the time away afforded by respite care is vital. Access to quality respite care allows families to run errands, spend time with other children, and simply recharge. Respite care is ostensibly available through the ECHO program, but TRICARE policies limit its utility. ECHO sets strict requirements for respite care providers, making it difficult for families to identify eligible providers.

Congress has given DOD much more discretion in its coverage of ECHO benefits than it has concerning medical benefits provided under the Basic Program. Thus, TRICARE has the authority to make changes that would enhance the ECHO program's utility to military families. Aligning ECHO coverage with that of state Medicaid programs, as the MCRMC recommends, would do much to enhance special needs military families' readiness and quality of life.

TRICARE should enhance the ECHO program's utility to military families by ensuring it covers the products and services families need.

The transition out of the military and into civilian life is difficult for many families but especially so for special needs families, who immediately lose access to ECHO benefits. Families may still face long waits before being eligible for care through Medicaid, which leads either to gaps in treatment or financial hardship for a family trying to pay for needed care. To ease the hardship for families in this situation, we recommend ECHO eligibility be extended for one year following separation to provide more time for families to obtain services in their communities or through employer-sponsored insurance.

We ask Congress to extend eligibility for the Extended Care Health Option (ECHO) for one year following separation to provide more time for families to obtain services in their communities or through employer-sponsored insurance.

MILITARY FAMILIES IN CRISIS

Even though the war in Afghanistan is coming to an end, military families continue to live extraordinarily challenging lives. Reintegration continues to pose challenges for some. Others are concerned they will be impacted by the military draw-down and are anxious about their financial futures. Most military families are resilient and will successfully address whatever challenges come their way. However, some will need help. It is critical military families trust DOD services and programs and feel comfortable turning to them in times of need. These programs and services must be staffed and resourced adequately so when families reach out for help, they can trust it is available. Military families must be assured our Nation will support them in times of family or personal crisis.

⁸Final Report of the Military Compensation and Retirement Modernization Commission—January, 2015

Suicide

In 2014, the Defense Suicide Prevention Office (DSPO) released a report outlining an approach for tracking military family member suicides. The report, *Suicide and Military Families: A Report on the Feasibility of Tracking Deaths by Suicide among Military Family Members*, was requested by the Senate and House Armed Services Committees.

We appreciate Congress including a provision directing DOD to track military family suicides as well as Reserve Component suicides in the fiscal year 2015 NDAA, but are frustrated by DOD's delays in developing a plan to meet this mandate. If we don't have solid information on the extent of the issue, targeting solutions becomes more difficult.

Preventing Child Abuse and Neglect, and Domestic Violence

Research commissioned by our Association⁹ and others during the past decade documents the toll of multiple deployments on children and families, the difficulties many families face on the service member's return, and the added strain a service member's physical and invisible wounds can place on a family. These stressors put military families at risk for marital/relationship problems and compromised parenting that must be addressed with preventative programs.

Current research validates families will experience the effects of war long after deployments end. A recent study highlighted parenting challenges fathers face following deployment. The study found that while deployment is a time of great stress for families, the need for support and a strong community continues during the extended period of reintegration after the service member returns. This need is particularly pronounced when the returning service member is father to a young child, and he faces the core challenge of reconnecting with a child who has undergone significant developmental changes while he was away.¹⁰ A 2013 research brief issued by Child Trends, *Home Front Alert: The Risks Facing Young Children in Military Families*,¹¹ concluded many children negatively impacted by a parent's repeated combat deployments will continue to have exceptional needs as they grow older.

Those looking for budget cuts may find it tempting to slash family support, family advocacy, and reintegration programs. However, bringing the troops home does not end our military's mission or the necessity to support military families. Recent media coverage indicates the incidence of child abuse and neglect among Army families has increased. We are concerned the extraordinary stress military families have faced could lead to increased domestic violence as well. Preventative programs focused on effective parenting and rebuilding adult relationships are essential. The Government should ensure military families have the tools to remain ready and to support the readiness of their servicemembers.

We are encouraged the Family Advocacy Program, a congressionally mandated DOD program designed to prevent and respond to child abuse/neglect and domestic abuse in military families, has redoubled its focus on prevention programs. Their efforts to repair relationships and strengthen family function will be essential. Programs like New Parent Support focus on helping young parents build strong parenting skills early on.

We encourage Congress and the Department of Defense to ensure that Family Advocacy programs are funded and resourced appropriately to help families heal and aid in the prevention of child and domestic abuse.

SUPPORT FOR TRANSITIONING FAMILIES

Transitioning due to downsizing affects the whole family. In addition to the transition assistance program available to servicemembers, resources relevant to family members need to be identified. Issues such as how to find community resources to replace DOD programs and the military spouse's role in the long-term care of the family as a whole aren't addressed in the transition classes.

In May 2014, our Association conducted a survey of military spouses facing transition. Over half the spouses indicated they were extremely or very concerned about relocation and finding employment. Over three quarters of the spouses were extremely/very concerned about being financially prepared and finding employment for their service member. Access to the counseling and other services provided by Mili-

⁹Anita Chandra, et al., RAND Center for Military Health Policy Research, Views from the Homefront: The Experiences of Youth and Spouses from Military Families, 2011

¹⁰Tova B. Walsh, et al., "Fathering after Military Deployment: Parenting Challenges and Goals of Fathers of Young Children," *Health & Social Work: A Journal of the National Association of Social Workers*, February, 2014

¹¹"Home Front Alert: The Risks Facing Young Children in Military Families", Child Trends, July 22, 2013

tary OneSource, beyond the 180 days currently provided, would make available resources and information to ease some of the concerns of our transitioning military families.

Expand the opportunity for spouses to access transition information including face-to-face training and on-line training.

Expand family access to Military OneSource to one year from a service member's separation from the military.

TODAY'S SURVIVING SPOUSES NEED THE DIC OFFSET ELIMINATED

Our Association has long believed the benefit change that would provide the most significant long-term advantage to the financial security of all surviving families would be to end the Dependency and Indemnity Compensation (DIC) offset to the Survivor Benefit Plan (SBP). Although we know there is a significant price tag associated with this change, ending this offset would correct an inequity that has existed for many years. Each payment serves a different purpose. The DIC is a special indemnity (compensation or insurance) payment paid by the VA to the survivor when the service member's service causes his or her death. The SBP annuity, paid by the Department of Defense (DOD), reflects the military member's length of service. It is ordinarily calculated at 55 percent of retired pay. Military retirees who elect SBP pay a portion of their retired pay to ensure their family has a guaranteed income should the retiree die. If that retiree dies due to a service-connected disability, their survivor becomes eligible for DIC.

We ask the DIC offset to SBP be eliminated to recognize the length of commitment and service of the career service member and spouse.

Special Survivor Indemnity Allowance

In the fiscal year 2008 NDAA, the Military Personnel Subcommittee established the Special Survivor Indemnity Allowance (SSIA) as a first step in a longer-term effort to phase out the DIC offset to SBP.

That initial legislation authorized the SSIA for all survivors affected by the SBP-DIC offset in the amount of \$50 per month for fiscal year 2009, with the amount increasing by \$10 monthly for each of the next five years, reaching \$100 per month for fiscal year 2014-2016, not to exceed the amount of SBP subject to the offset. The authority to pay the SSIA, under this initial provision, was to expire on March 1, 2016.

In 2009, SSIA payments were extended through the end of fiscal year 2017, and the monthly SSIA amounts were increased:

Fiscal year 2014: \$150
 Fiscal year 2015: \$200
 Fiscal year 2016: \$275
 Fiscal year 2017: \$310, with payment authority expiring as of Sept. 30, 2017.

As of fiscal year 2017, phased SSIA increases will have eliminated roughly 25 percent of the SBP-DIC penalty.

Including an extension of SSIA in the fiscal year 2017 National Defense Authorization Act is necessary so SBP-DIC widows will not see an interruption or elimination of the then-\$310 payment.

Extend SSIA so the modest progress in eliminating the DIC offset to SBP will not be lost.

SBP for Inactive Duty for Training Deaths

The Eleventh Quadrennial Review of Military Compensation released in June, 2012 recognized the Survivor Benefit Plan (SBP) annuity for Reserve component personnel who die while performing inactive duty is significantly less than the benefit available to survivors of Active Duty members and Reserve members who die on Active Duty. Despite their inactive status, these reservists are still performing military duties at the time of their death. The review report recommends calculating SBP benefits for a reservist who dies while performing inactive duty training using the same criteria as for a member who dies while on Active Duty.

Calculate Survivor Benefit Program annuities for a reservist who dies while performing inactive duty training using the same criteria as for a member who dies while on Active Duty.

CAREGIVER AND WOUNDED SERVICE MEMBER SUPPORT

Service members and their families must be assured our nation will provide unwavering support to the wounded, ill, and injured. This support must extend beyond the recovering warrior's medical and vocational rehabilitation. It must also include

programs and services that help military caregivers, typically spouses or parents, successfully navigate their new role.

Special Compensation for Assistance with Activities of Daily Living (SCAADL)

Our Association appreciates that Congress authorized monetary compensation to caregivers of catastrophically wounded, ill, and injured servicemembers via the fiscal year 2010 NDAA. The Special Compensation for Assistance with Activities of Daily Living (SCAADL) program helps offset the loss of income by a primary caregiver who provides non-medical care, support, and assistance to the service member.

We are concerned, however, DOD and the Services are no longer providing an appropriate level of information and outreach on this important benefit. The SCAADL calculator has not been updated on DOD's website since January, 2015. The SCAADL page of the Army's Warrior Transition Command is unavailable. Similarly, the Defense Finance and Accounting Service website has a dead link to the SCAADL calculator.

We understand and are grateful the number of combat wounded has decreased dramatically. However, there are still thousands of servicemembers forward deployed to hostile environments. Military service is inherently risky and servicemembers are regularly injured in training or other line of duty incidents. It is important we maintain programs established over the past 15 years of war to support families of the wounded.

Consistent with recommendations from the Recovering Warrior Task Force, we also request a legislative change to exempt SCAADL from income taxes to enhance this benefit for wounded warrior families.

Maintain the SCAADL program, particularly outreach to wounded warrior families, and exempt SCAADL payments from income taxes to enhance the value to beneficiaries.

Medicare Eligible Wounded Warriors & TRICARE Coverage

Medically retired wounded warriors who receive Social Security Disability Insurance (SSDI) benefits become eligible for Medicare Part A after 24 months on SSDI. At that point, the wounded warrior must enroll in Medicare Part B in order to keep TRICARE coverage. After the wounded veteran enrolls in Medicare Part B, their TRICARE coverage converts to TRICARE for Life (TFL). This poses a variety of problems for the severely wounded population:

- In the worst case scenario, the wounded warrior or his/her caregiver does not realize or is not appropriately informed they must enroll in Medicare Part B and they lose their TRICARE coverage entirely.
- In other instances, the wounded warrior or caregiver understands and enrolls in Medicare Part B and retains TFL. Although medical coverage is retained, the severely wounded veteran is now paying more for medical coverage than most other working-age TRICARE retirees.
- Finally, there are some severely wounded veterans who receive SSDI for over 24 months and are forced onto Medicare/TFL. Eventually, the wounded veteran returns to work, but they are required to stay on Medicare Part B for eight years after returning to work. This results in over \$10,000 in Medicare Part B costs to the severely wounded warrior who returns to work.

This is an extremely complex issue facing the most severely wounded servicemembers and their caregivers. These families face emotionally challenging lives and overwhelming responsibilities. Making a mistake on Medicare Part B should not result in the life altering consequence of losing health care coverage. Furthermore, our most severely wounded warriors should not be forced to pay more for their health care than others.

This complex problem crosses many jurisdictions including the Centers for Medicare and Medicaid Services, DOD, the Social Security Administration, the Senate Finance Committee, the House Ways and Means Committee, the HASC and the SASC. Given this problem impacts our most severely wounded veterans and their families, we urge the House and Senate Armed Services Committees to take the lead in finding and implementing a solution to this complex issue.

Supporting an Enduring Wounded Warrior Mission

The reduction in combat operations and the resulting decline in combat wounded poses a risk that attention and resources for wounded warrior programs and initiatives will shift to competing priorities. Some of this shift is certainly warranted, but it is critical improvements made over the last 15 years are not lost as we move forward. We support Recovering Warrior Task Force recommendations to formalize and

marshal support for the way forward in wounded warrior care and caregiver support for current and future generations of wounded warriors.

MILITARY FAMILIES—CONTINUING TO SERVE

Recent national fiscal challenges have left military families confused and concerned about whether the programs, resources, and benefits contributing to their strength, resilience, and readiness will remain available to support them and be flexible enough to address emerging needs. The Department of Defense must provide the level of programs and resources to meet these needs. Sequestration weakens its ability to do so.

Service members and their families have kept trust with America, through more than 15 years of war, with multiple deployments and separations. We ask the Nation to keep the trust with military families and not try to balance budget shortfalls from the pockets of those who serve.

Evolving world conflicts keep our military servicemembers on call. Our military families continue on call as well, even as they are dealing with the long-term effects of more than a decade at war. The Government should ensure military families have the tools to remain ready and to provide for the readiness of their servicemembers. Effective support for military families must involve a broad network of Government agencies, community groups, businesses, and concerned citizens.

Senator GRAHAM. Mr. Bousum?

**STATEMENT OF SCOTT BOUSUM, LEGISLATIVE DIRECTOR,
THE ENLISTED ASSOCIATION OF THE NATIONAL GUARD OF
THE UNITED STATES**

Mr. BOUSUM. Chairman Graham, Ranking Member Gillibrand, Senator Blumenthal, thank you for allowing me to testify on behalf of the Enlisted Association of the National Guard of the United States.

Our membership represents over 414,000 enlisted men and women of the Army and Air National Guard, their families and survivors, and tens of thousands of National Guard retirees. Their lives are touched in some way by the decisions that are made by you and your colleagues on the Armed Services Committee.

I worked closely with you and your staff and your House counterparts as you developed and considered the blend of retirement proposals in the fiscal year 2016 National Defense Authorization Act. We understand that much of the conversation this year will be about reforms to the health care system.

Reforms to the personnel system and defense acquisition system are driven by the budget. It is clear the Department of Defense needs additional funds to research new technologies, procure new weapons platforms, maintain equipment, start new construction projects, and train and pay servicemembers and civilian staff.

This year the Personnel Subcommittee is looking to reform military health care without sacrificing quality, cost, and access. During last month's budget rollout, the Department of Defense distributed health care proposals to the Active component. While the Department is still considering improvements for members of the Reserve component, I am prepared to discuss some of the ideas starting to be socialized on Capitol Hill, such as transferring the management of the Reserve component health care to the Office of Personnel Management.

In conjunction with the Reserve Officers Association and the National Guard Association of the United States, we circulated a health care satisfaction survey to our members. Together, our membership reflects the entirety of the Reserve component, officers

and enlisted. The results of our survey are enclosed with my written testimony. Our survey shows that our membership likes TRICARE when it works as designed.

Continuity of care is our greatest challenge.

I understand that the Reserve Officers Association submitted a written statement today with excerpts from our survey, and I am prepared to address those comments as well.

Thank you again for hosting today's hearing and for inviting me to discuss Department of Defense personnel programs. I look forward to answering your questions.

[The prepared statement of Mr. Bousum follows:]



**THE ENLISTED ASSOCIATION OF THE NATIONAL GUARD
OF THE UNITED STATES**

STATEMENT FOR THE RECORD

SENATE ARMED SERVICES COMMITTEE
PERSONNEL SUBCOMMITTEE

on

Fiscal Year 2017 Department of Defense Personnel Programs

March 8, 2016

Enlisted Association of the National Guard of the United States
3133 Mount Vernon Avenue
Alexandria, Virginia 22305
www.eangus.org

The Enlisted Association of the National Guard of the United States (EANGUS) was created in 1970 by a group of senior Non-Commissioned Officers. It was formally organized / incorporated in 1972 in Jackson, Mississippi, with the goal of increasing the voice of enlisted persons in the National Guard on Capitol Hill for enlisted National Guard issues. Beginning with twenty-three states, EANGUS now represents all 54 states and territories, with a constituency base of over 414,000, hundreds of thousands of family members, as well as thousands of retired members.

Headquartered and with offices in Alexandria, Virginia, EANGUS is a long-time member of The Military Coalition (TMC) and is actively engaged with the Guard/Reserve Committee and the Health Care Committee. EANGUS often partners with other National Guard related associations such as the National Guard Association of the United States (NGAUS), the Adjutants General Association of the United States (AGAUS) and the Reserve Officers Association (ROA) to pursue common legislation goals and outcomes.

EANGUS is a non-profit organization that is dedicated to promoting the status, welfare and professionalism of enlisted members of the National Guard by supporting legislation that provides adequate staffing, pay, benefits, entitlements, equipment and installations for the National Guard.

The legislative goals of EANGUS are published annually. The goals and objectives are established through the resolution process, with resolutions passed by association delegates at the annual conference. From these resolutions come the issues that EANGUS will pursue in Congress and in the Department of Defense.

President – Chief Master Sergeant John Harris, US Air Force Retired

Executive Director – Sergeant Major Frank Yoakum, US Army Retired

Legislative Director – Scott Bousum

MR. SCOTT BOUSUM, LEGISLATIVE DIRECTOR

Scott Bousum is the Legislative Director at the Enlisted Association of the National Guard of the United States (EANGUS). As the Legislative Director, Scott works with the enlisted state associations to advocate on behalf of Guardsmen on Capitol Hill, specifically on issues related to compensation, healthcare, retirement, and National Guard weapons and equipment programs. Before joining EANGUS, Scott was the Director of National Security Policy and Procurement Policy at TechAmerica, a technology industry association. While at TechAmerica, he focused on supply chain security, regulatory affairs, and the federal acquisition process. Prior to joining TechAmerica, Scott worked on the House Armed Services Committee from 2009 to 2013, supporting the Tactical Air and Land Forces Subcommittee. Scott is from Oklahoma and worked for former U.S. Senator Tom Coburn of Oklahoma. He is a graduate of the University of Tulsa and received his Masters' degree in National Security Strategic Studies from the United States Naval War College.

DISCLOSURE OF FEDERAL GRANTS OR CONTRACTS

The Enlisted Association of the National Guard of the United States (EANGUS) does not currently receive, nor has the association ever received, any federal money for grants or contracts. All of the association's activities and services are accomplished completely free of any federal funding.

OPENING STATEMENT

Chairman Graham, Ranking Member Gillibrand, and esteemed members of the Personnel subcommittee, thank for allowing me to testify before you on behalf of the Enlisted Association of the National Guard of the United States (EANGUS). Our membership represents over 414,000 enlisted men and women of the Army and Air National Guard, their families and survivors, and tens of thousands of National Guard retirees. Their lives are touched in some way by the decisions that are made by you and your colleagues on the Armed Services Committee.

I worked closely with you and your staff, and your House counterparts, as you developed and considered the blended retirement proposals in the Fiscal Year 2016 National Defense Authorization Act. We understand that much of the conversation this year will be about changes to the military healthcare system. Reforms to the personnel system, and defense acquisition system, are driven by the budget. It is clear, the Department of Defense needs additional funds to research new technologies, procure new weapons platforms, maintain equipment, start new construction projects, and train and pay servicemembers and civilian staff.

This year, the Personnel Subcommittee is looking to reform military healthcare without sacrificing quality, cost, and access. During last month's budget rollout, the Department of Defense distributed healthcare proposals pertaining to the Active Component. While the Department is still considering improvements for members of the Reserve Component, I am prepared to discuss some of the ideas that are starting to be socialized on Capitol Hill, such as transferring the management of Reserve Component health care to the Office of Personnel Management.

In conjunction with the Reserve Officers Association (ROA) and the National Guard Association of the United States (NGAUS), we circulated a healthcare satisfaction survey to our members. Together, our memberships reflect the entirety of the Reserve Component – officers and enlisted. The results of our survey are enclosed with my written testimony. Our survey shows that our membership likes TRICARE when it works as designed. Continuity of care is our greatest challenge. I understand that the Reserve Officers Association submitted a written statement, with excerpts from the survey, and I am prepared to address those comments as well.

Thank you again for hosting this hearing and for inviting me to discuss Department of Defense Personnel Programs. I look forward to answering your questions.

Legislative priorities for the upcoming year to maintain quality-of-life and quality-of-service for servicemembers and families

Introduced by Representative Sam Johnson (TX-03) on January 13, 2016, H.R. 4381, the Servicemember Retirement Improvement Act, would amend the Internal Revenue Code allowing servicemembers in the Ready Reserve to maximize contributions to their Thrift Savings Plan (TSP). Section 632 of S. 1356, the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92) created a government matched retirement plan for servicemembers to contribute to a TSP account. Current tax code limits all individuals under the age of 55 to contributing \$18,000 toward their retirement each year. Future members of the National Guard, who max out their employer-contributed retirement account, could lose out on their government-matched TSP accounts. H.R. 4381 would allow members of the National Guard to make maximum contributions toward their employer-contributed retirement account and their government-matched TSP account.

Introduced by Representative Poliquin (ME-02) on March 1, 2016, H.R. 4658 would amend Section 62(a)(2)(E) of the Internal Revenue Code of 1986 by striking "100 miles" and inserting "50 miles". In turn, the proposed legislation would decrease the distance away from home required for a member of a Reserve Component (RC) to be eligible for the above-the-line deduction for travel expenses. This change would align treatment of RC servicemembers with what is allowed for Federal workers, which is 50 mile minimum for travel compensation. The Tax Reform Act of 1986 (Public Law 99-514) eliminated reservists' tax deductions on travel expenses incurred while on duty and in transit. The National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136) restored the tax deduction for Guard and Reserve members performing duty at locations at least 100 miles from their residence.

Introduced by Senator Moran of Kansas on February 22, 2016, S. 2563, the Protecting Our Security Through Utilizing Right-Sized End-Strengths Act of 2016 (POSTURE Act of 2016) would establish a Sense of Congress that given the unpredictable risks we face and the need for well-trained and ready land forces, the planned drawdown of these forces should cease. S. 2563 would authorize Army end strength at 480,000, the Army National Guard at 350,000 and the Army Reserve at 205,000. It would also make permanent active duty end strength minimum levels of 480,000 for the Army, 329,200 for the Navy, 184,000 for the Marine Corps, and 317,000 for the Air Force.

Force of the Future proposals and impacts on readiness and the budget

There is a concern among members of the National Guard about what exactly the Force of the Future is aiming to accomplish. The purpose of Force of the Future is to position the Services to be able to attract and retain the best and brightest well into the Twenty First Century. The concept is well intended. However, the EANGUS National Office is not aware of any surveys or working groups to obtain data from servicemembers about what is desired to keep them. Furthermore, EANGUS is concerned about comments from the Armed Services Committees that

Congress has been left in the dark as the Department of Defense (DOD) developed the proposals.

On January 28, 2016, Secretary Carter announced that DOD would implement twelve weeks of paid maternity leave for women across the joint force.¹ The Department's extension of paid maternity leave is commendable, but at what cost? EANGUS understands that there are trade-offs and that extending paid maternity leave to 12 months could cost the Army one Battalion. On February, 28, 2016, Mr. Patrick Murphy, Acting Secretary of the Army and General Mark A. Milley, Army Chief of Staff testified before the Senate Appropriations Committee's Defense Subcommittee and stated that the Army's number one priority is readiness.² Since we are downsizing the force, it is hard to justify new proposals to improve quality of life and retention at the expense of readiness.

Military Health Care Reform

According to a 2014 Demographics report, *Profile of the Military Community* provided by militaryoneSource.mil, there are 831,992 Selected Reserve personnel. Forty-two percent are in the Army National Guard and nearly thirteen percent are Air National Guard. Most EANGUS members participate in TRICARE Prime, TRICARE Reserve Select (TRS), TRICARE Retired Reserve (TRR), and TRICARE for Life (TFL).

TRICARE Prime is for Reservists on active duty status: mobilized, Active Guard and Reserve (AGR), Active Duty Operational Support (ADOS), Full Time National Guard Duty (FTNGD), or active duty for training over 30 days, but not annual training. For active duty servicemembers, there are no fees or copays. Overall, there are 4,931,544 people enrolled and of that total, there are 1,562,658 enrolled who are retirees or family members under age 65.³ TRS is provided for Reservists not eligible for the Federal Employee Health Benefit Plan (FEHBP). There are 119,775 TRS plans covering 326,710 people which is 25.6 percent take rate.⁴ TRR is similar to TRS, but is designed for working age retirees who wish to stay on TRICARE and do not mind paying a 100 percent of the costs, determined by the Defense Health Agency. TFL is designed for retired servicemembers who are Medicare eligible; it is a Medicare supplement. Please see the below chart for greater detail, data taken from the Evaluation of the TRICARE Program: Access, Cost, and Quality, Fiscal Year 2015 Report to Congress.

¹ "Carter Announces 12 Weeks Paid Military Maternity Leave, Other Benefits", Lisa Ferdinando, DOD News, Defense Media Activity, <http://goo.gl/o9ooxp>.

² Statement by the Honorable Patrick J. Murphy, Acting Secretary of the Army and General Mark A. Milley, Chief of Staff, United States Army, Senate Committee on Appropriations, Subcommittee on Defense, February 24, 2016, page 1.

³ Evaluation of the TRICARE Program: Access, Cost, and Quality, Fiscal Year 2015 Report to Congress, page 15.

⁴ Ibid, page 59.

Plan	Population	Costs	No. Covered
Prime	Active Duty Status	\$0	4,931,544
Prime	Retirees	\$282.60 for individual** \$565.20 for family**	1,562,658
TRS	Reserves (not on FEHBP)	\$50.75 for individual* \$205.62 for family*	326,710
TRR	Working Age Retiree (Age 60-65)	\$390.89 for individual* \$961.35 for family*	5,100
TFL	Retired (Age 65+)	\$0	2,086,353

* monthly cost; ** annual cost

EANGUS supports transferring RC servicemember health care management to the Office of Personnel Management (OPM), a concept recommended by the Military Compensation and Retirement Modernization Commission (MCRMC) in its final report to Congress in January 2015.⁵ Transferring the management to OPM would lower administrative costs, as OPM already manages all federal employee health care; as well as avoiding the challenges and turmoil of DOD setting up an identical system. Furthermore, EANGUS supports the expansion of TRS to dual-status technicians serving in the National Guard, and therefore supports striking 10 USC 1076d, subsection A, Paragraph 2 from public law. Providing RC servicemembers access to FEHBP would expand the options to servicemembers in need of more robust (and more expensive) health care plans offered by FEHBP to fit their individual and family's needs. Making TRS an option on FEHBP would allow greater access to TRS for RC servicemembers not currently eligible and improve continuity of care for the service member and their dependents.

Enclosure 1: EANGUS, NGAUS, and ROA healthcare survey results

Enclosure 2: MCRMC recommendation/ EANGUS chart

Recruitment and Retention

EANGUS members are concerned about the increased use of the 12304b orders to active duty status. In Fiscal Year 2016, DOD requested 10,107 Man-years; \$901 million⁶ and in Fiscal Year 2017, requested 11,124 Man-Years; \$1,060 million.⁷ The Fiscal 2017 request is a 10 percent increase in Man-years from 2016 and a 15 percent increase of funds.

When called to active duty under 12304b orders, members of the National Guard are not afforded pre-mobilization healthcare, transitional healthcare (TAMP), reduced age for retirement, Post 9/11 G.I. Bill benefits, or education assistance protections. These benefits are

⁵ Military Compensation and Retirement Modernization Commission, Final Report to Congress, January 2015,

⁶ Department of Defense, Fiscal Year 2016 Overseas Contingency Operations Request, Military Personnel, Army, Justification Book, February 2015, page 11.

⁷ Department of Defense, Fiscal Year 2017 Overseas Contingency Operations Request, Military Personnel, Army, Justification Book, February 2016, page 11.

covered by almost every other duty status, and are benefits that attract young men and women to join and stay with the National Guard. EANGUS members want to deploy, but they want to be afforded the benefits for their service. EANGUS members are discouraged by the Department's intent to increase 12304b usage this year mainly due to the disconnect in the benefit structure. Continued overuse could negatively impact moral and retention.

EANGUS members understand the complexities of balancing defense funds with the threats facing the United States. Training, equipping, and supporting forward deployed personnel for nearly 15 years is expensive. Due to fiscal constraints, out of the control of Senate Armed Services Committee, Congress has made decisions to sacrifice hardware accounts to fund Readiness (training) and Personnel accounts. Unfortunately, during sequestration, our servicemembers saw lapses in training, as even the Readiness accounts were hit.

EANGUS members are concerned about the decreased funding to the services' Research, Development, Test, and Evaluation (RDT&E) and Procurement accounts. If DOD and industry are not developing new weapons systems for servicemembers to fight future conflicts, readiness will suffer. If sequestration returns resulting in limited training opportunities, readiness will suffer.

There is an Army budget graph enclosed that shows the increased funding to Personnel at the expense of RDT&E and Procurement accounts. From FY01 to FY15, Personnel accounts have increased 7 percent, despite the fact that Army end strength has returned to FY01 levels. During the same period, Army equipment accounts have decreased 6 percent. This is a trend that must be reversed, because in order to attract our best and brightest in the future, the Army must field updated equipment and software to avoid "falling behind near-peers".⁸

Suicide Prevention and Response

Suicide rates are high in the National Guard. The Army National Guard has seen an increase number of suicides in 2016. January and February saw seventeen suicides which is four more people than the average for January and February from 2011 to 2016.⁹ The Air National Guard saw twenty-one suicides, the second most yearly total since 2004.¹⁰ Air National Guard suicide rates over the past two years show that suicides and attempts happen on traditional or technician status. From January 2015 to February 22, 2016, no one on Active Duty Status committed suicide, and there were only four attempted suicides.

EANGUS understands that the rural makeup of the National Guard makes it difficult to care for servicemembers in need. While there are a plethora of programs, many of which can be found on www.jointservicessupport.org, designed to help all servicemembers suffering from Post-

⁸ Statement by Lt. Gen. Michael E. Williamson, Principal Military Deputy to the Assistant Secretary of the Army for Acquisition, Logistics and Technology (ASA(ALT)), Testimony before the House Armed Services Committee, Subcommittee on Tactical Air & Land Forces, March 2, 2016.

⁹ National Guard Bureau, Army National Guard Soldier Family and Support, current data as of February 24, 2016.

¹⁰ National Guard Bureau, Air National Guard, Suicide Data 2016, current data as of February 22, 2016.

Traumatic Stress, Traumatic Brain Injury, and suicidal thoughts, there is no substitution for human contact with other servicemembers and having access to mental health professionals at military installations. The programs, funded in the tens of millions of dollars annually, however well intended, have in effect allowed leaders from the squad to regimental level to abdicate their responsibilities to check on the welfare of their peers and subordinates in deference to these programs. In most cases, the programs are inadequately staffed and centralized at the state joint force headquarters, which may work well in Rhode Island but does not work in California or Texas. The one-on-one contact by caring individuals (i.e. Buddy Check) make the difference in suicide prevention.

The current state of readiness

In Fiscal Year 2017, the Army National Guard (ARNG) will see end strength fall to 335,000. The ARNG end strength was 342,000 in FY16 and 350,032 in FY15.¹¹ In FY17, the Air National Guard end strength will be 14,764. Its end strength was 14,748 in FY16 and 14,784 in FY15.¹² With the assistance of Congress, the National Guard and Reserve Equipment Account (NGREA) has been well funded. Nearly half of the members of the National Guard has combat experience, they train to the standards as their active Army and Air Force counterparts, and after more than a decade of fighting in Iraq and Afghanistan, the Active and Reserve Components are indistinguishable.¹³ While the nation benefits from a strong, ready National Guard, the National Commission on the Future of the Army (NCFA) reported that 335,000 is the bare minimum end strength level, and that even a 335,000 end strength is accepting risk.¹⁴

¹¹ Department of the Army Fiscal Year 2017 Budget Estimates, National Guard Personnel, Army, Justification Book, February 2016, pages 8 and 9.

¹² Air National Guard Fiscal Year 2017 Budget Estimates, Appropriation 3850, National Guard Personnel, Air Force, February 2016, page 15.

¹³ 2016 National Guard Bureau Posture Statement, Fighting America's Wars, page 9.

¹⁴ National Commission on the Future of the Army, Report to the President and the Congress of the United States, January 28, 2016, The Army of the Future Chapter, page 57.

TRICARE Reserve: **Access and Quality of Healthcare Survey**

Military Service Organizations Participating:

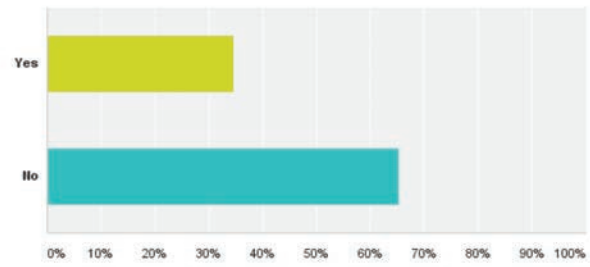
- Reserve Officers Association (ROA)
- National Guard Association of the United States (NGAUS)
- Enlisted Association of the National Guard of the United States (EANGUS)

301 Total Responses from Association Members

Updated: February 22, 2016

Q1: Are military treatment facilities relatively accessible to you?

Answered: 297 Skipped: 4



92

Q1: Are military treatment facilities relatively accessible to you?

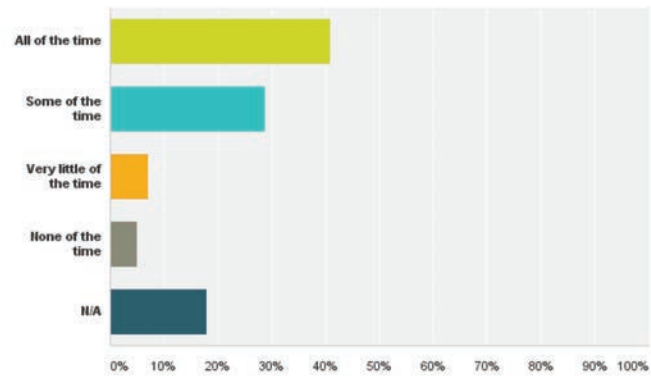
Answered: 297 Skipped: 4

Answer Choices	Responses	
Yes	34.68%	103
No	65.32%	194
Total		297

93

Q2: Do you have access to qualified specialists (pediatrics, oncologists, pulmonary, etc.) through TRICARE Reserve to meet your medical needs?

Answered: 295 Skipped: 6



94

Q2: Do you have access to qualified specialists (pediatrics, oncologists, pulmonary, etc.) through TRICARE Reserve to meet your medical needs?

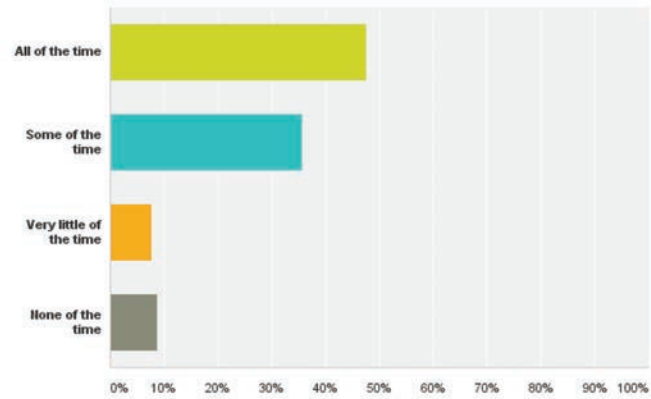
Answered: 295 Skipped: 6

Answer Choices	Responses	
All of the time	41.02%	121
Some of the time	28.81%	85
Very little of the time	7.12%	21
None of the time	5.08%	15
N/A	17.97%	53
Total		295

95

Q3: Does TRICARE Reserve provide healthcare in a quick and timely manner?

Answered: 283 Skipped: 18



15

Q3: Does TRICARE Reserve provide healthcare in a quick and timely manner?

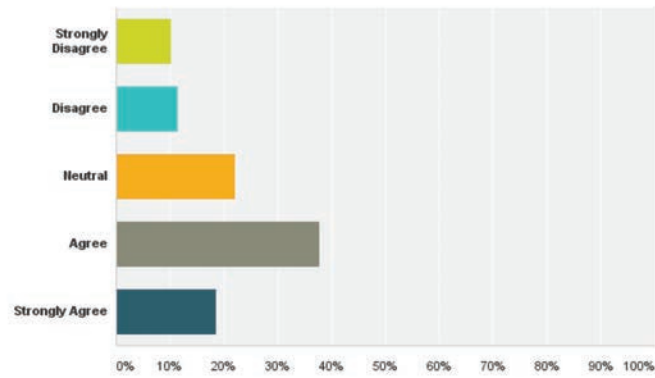
Answered: 283 Skipped: 18

Answer Choices	Responses	
All of the time	47.70%	135
Some of the time	35.69%	101
Very little of the time	7.77%	22
None of the time	8.83%	25
Total		283

97

Q4: When I want to use them, TRICARE Reserve provides a good selection of network providers to meet my medical needs.

Answered: 286 Skipped: 15



17

Q4: When I want to use them, TRICARE Reserve provides a good selection of network providers to meet my medical needs.

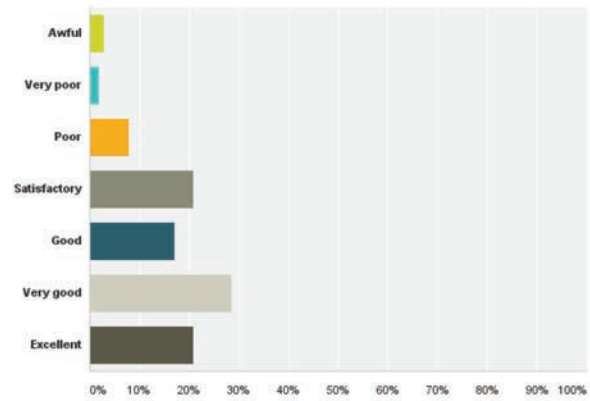
Answered: 286 Skipped: 15

Answer Choices	Responses	
Strongly Disagree	10.14%	29
Disagree	11.54%	33
Neutral	22.03%	63
Agree	37.76%	108
Strongly Agree	18.53%	53
Total		286

66

Q5: The quality of my healthcare through TRICARE Reserve is:

Answered: 279 Skipped: 22



100

Q5: The quality of my healthcare through TRICARE Reserve is:

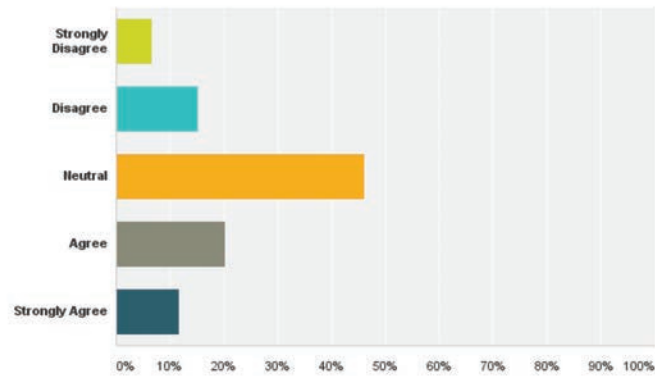
Answered: 279 Skipped: 22

Answer Choices	Responses	
Awful	2.87%	8
Very poor	1.79%	5
Poor	7.89%	22
Satisfactory	26.79%	58
Good	17.20%	48
Very good	28.67%	80
Excellent	26.79%	58
Total		279

101

Q6: Do you agree or disagree with this statement: Military treatment facilities do not provide healthcare as efficiently and effectively when they know I am reservist.

Answered: 282 Skipped: 19



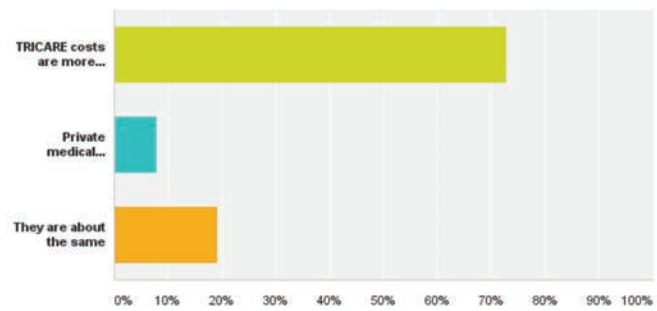
Q6: Do you agree or disagree with this statement: Military treatment facilities do not provide healthcare as efficiently and effectively when they know I am reservist.

Answered: 282 Skipped: 19

Answer Choices	Responses	
Strongly Disagree	6.74%	19
Disagree	15.25%	43
Neutral	46.10%	130
Agree	20.21%	57
Strongly Agree	11.70%	33
Total		282

Q7: Are medical costs more affordable on TRICARE or through a private medical provider?

Answered: 280 Skipped: 21



104

Q7: Are medical costs more affordable on TRICARE or through a private medical provider?

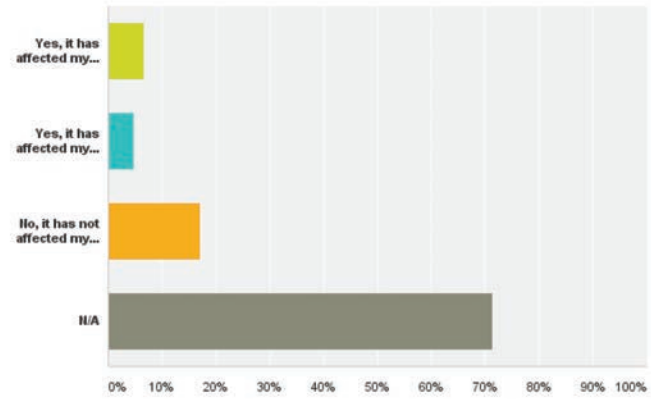
Answered: 280 Skipped: 21

Answer Choices	Responses	
<input type="radio"/> TRICARE costs are more affordable	72.86%	204
<input type="radio"/> Private medical provider costs are more affordable	7.86%	22
<input type="radio"/> They are about the same	19.29%	54
Total		280

105

Q8: Do you believe seeking and/or receiving treatment for mental health issues has affected your career advancement?

Answered: 287 Skipped: 14



Q8: Do you believe seeking and/or receiving treatment for mental health issues has affected your career advancement?

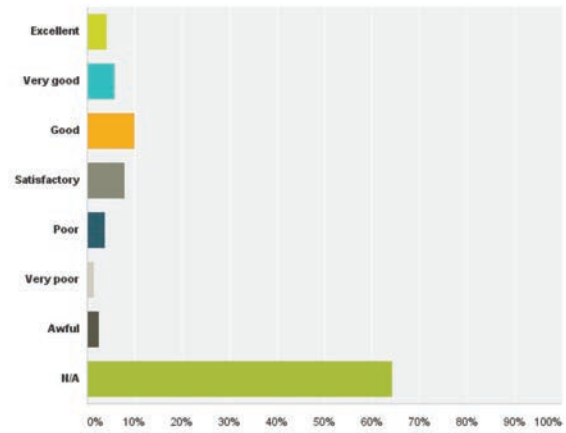
Answered: 287 Skipped: 14

Answer Choices	Responses	
Yes, it has affected my career advancement a lot.	6.62%	19
Yes, it has affected my career advancement, but only a little bit.	4.88%	14
No, it has not affected my career advancement.	17.07%	49
N/A	71.43%	205
Total		287

107

Q9: How would you rate access to mental health services through TRICARE Reserve?

Answered: 288 Skipped: 13



27

Powered by  SurveyMonkey

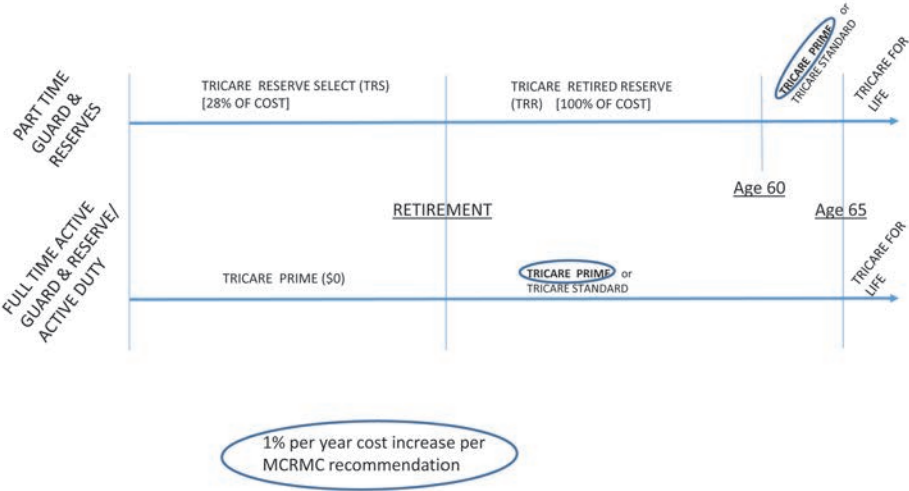
Q9: How would you rate access to mental health services through TRICARE Reserve?

Answered: 288 Skipped: 13

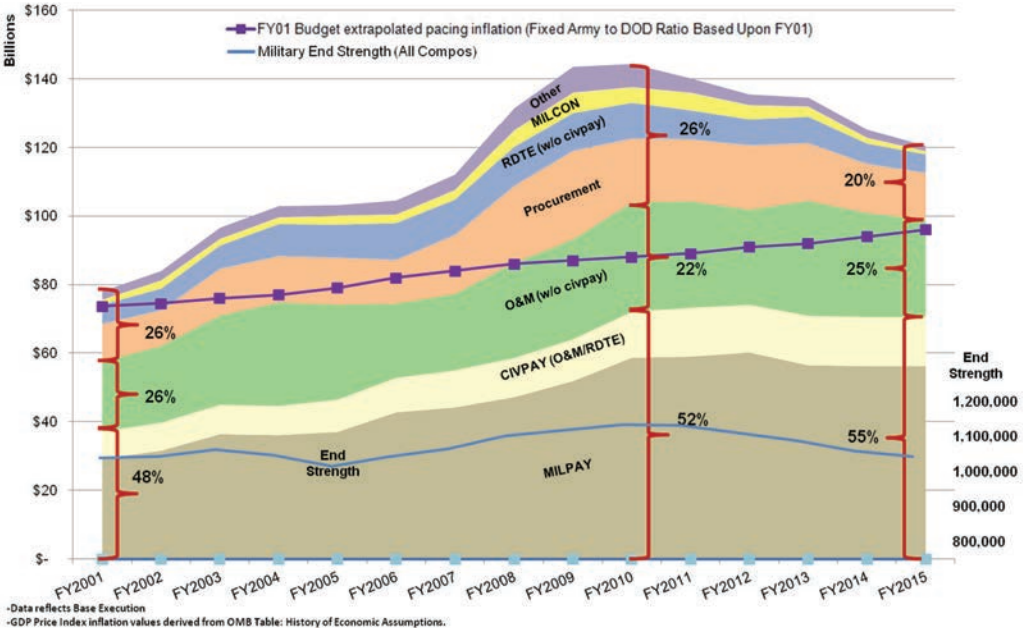
Answer Choices	Responses	
Excellent	4.17%	12
Very good	5.90%	17
Good	10.07%	29
Satisfactory	7.99%	23
Poor	3.82%	11
Very poor	1.39%	4
Awful	2.43%	7
N/A	64.24%	185
Total		288

109

Created by the Enlisted Association of the National Guard of the United States to reflect recommendations made by the Military Compensation and Retirement Modernization Commission in its Final Report, January 2015. For use during the March 8, 2016 Senate Armed Services Committee, Personnel Subcommittee Hearing, "Fiscal Year 2017 Department of Defense Personnel Programs".



U.S. Army Budget



111

Senator GRAHAM. Mr. Davis?

**STATEMENT OF JOSEPH E. DAVIS, PUBLIC AFFAIRS
DIRECTOR, VETERANS OF FOREIGN WARS**

Mr. DAVIS. Thank you, Chairman Graham, Ranking Member Gillibrand, Senator Blumenthal. Thank you for letting the 1.7 million members of the Veterans of Foreign Wars and auxiliaries giving us a voice here.

The VFW [Veterans of Foreign Wars] can support a lot of initiatives currently on the table, such as the Force of the Future and better suicide and sexual assault prevention and response programs. Some initiatives we want tweaked, such as matching military pay raises to the ECI [Employment Cost Index], increasing the Government's TSP contribution to 6 percent, and extending it through retirement. Some initiatives the VFW opposes, such as starting the Government's TSP program match in year 5 instead of year 3, dismantling TRICARE on the promise that better service will follow after enrollment fees are created or increased, and anything that impacts morale, such as the continuation of sequestration, which is still the law of the land.

Everything the VFW wants costs money, but everything we want is for somebody else, another veteran, a servicemember or their families and survivors. As I said in my written statement, our Government's most important responsibility is to provide for the security and integrity of our Nation and very close second is taking care of those who protect us.

I look forward to your questions.

[The prepared statement of Mr. Davis follows:]



VETERANS OF FOREIGN WARS OF THE UNITED STATES

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**STATEMENT OF
Joseph E. Davis
Director of Public Affairs
Veterans of Foreign Wars of the United States
Washington Office**

**BEFORE THE
Senate Armed Services Committee Personnel Subcommittee**

**WITH RESPECT TO
Military Personnel Posture**

WASHINGTON, DC

MARCH 8, 2016

Chairman Graham, Ranking Member Gillibrand, members of the Senate Armed Services Personnel Subcommittee, thank you for the opportunity for the Veterans of Foreign Wars of the United States to address our issues and concerns regarding today's Military Personnel Posture.

In the invitation to testify, the committee asked for the VFW's views about the Defense Department's FY 2017 personnel program budget and legislative submissions as they apply to quality of life/service programs for troops and families, Force of the Future proposals, healthcare reform, recruiting and retention, suicide prevention/response, sexual assault prevention/response, and each military service's current state of readiness.

I will begin with the last one first.

America's military has been in a nonstop fight for almost 15 years. Our troops, their families and the services have endured multiple deployments, the challenge of recruiting and retaining quality personnel during the boom years and morale-busting pink slips during the bad. They have won every battle and achieved every objective, and they did so with an All-Volunteer Force that on Monday, September 10, 2001, no one would have thought capable of doing so without reinstating the draft.

Now, despite all their successes, the troops no longer believe Washington has their backs. This is because beneath all the "Support the Troops" rhetoric are real Pentagon and/or Congressional plans to slow the growth in compensation and pension and quality of life programs.

The VFW's expertise isn't hardware. Our expertise is in the software side of the military, the people, who are unarguably the most powerful weapons system in our nation's inventory, yet the

NO ONE DOES MORE FOR VETERANS.

“Slow the Growth” mantra is having a very real impact on morale — and morale has a direct impact on readiness.

The VFW knows that the federal budget is finite, and of the military’s three main funding accounts — Personnel, Operations & Maintenance, and Modernization — it’s the Personnel account that can be tapped the quickest. But it’s also the one that directly hurts our greatest weapons system the most. And their families.

The troops are concerned. They are concerned about the size of the force and whether there will be a place for them should they decide to make the military a career. They are concerned about quality of life programs, their families, and the future of their Post-9/11 GI Bill, as well as its transferability provision. And their leaders are very concerned about uncertain budgets and the possible return of mandatory sequestration. The two-year budget deal provides some stability, but everyone knows that sequestration is still the law of the land afterwards. Forcing the military to downsize while still asking it to fight is the disconnect that exists between Washington and the military.

The troops are also concerned that many elected and appointed leaders in Washington just don’t understand today’s military, or the fact that their operational tempos have not slowed down, or that they are continually tasked to do more with less. Our military has and will accomplish every objective, but there’s a rift in the force that impacts troop and family morale, and that has a direct impact on readiness. In an All-Volunteer Force, no troops equals no military. It’s that simple.

SEQUESTRATION

This is the most educated military to have ever served. As such, they are much more aware of the environments in which they serve. Whether a blessing or a curse, 24-hour network news and social media bombards them with the cause and effect of every action and decision made. That’s why the continued existence of sequestration is such a sore point. Virtually every senior Pentagon leader has repeatedly testified that sequestration is the most significant military readiness and national security threat of the 21st century. And despite almost universal Congressional opposition to it, no member has yet introduced any legislation to eliminate it.

Mandatory sequestration began in the second half of FY 2013 and the immediate impact on the non-deployed military was devastating. Aircraft were grounded, ships stayed in port, scheduled ground troop training was cancelled, and DOD civilians were furloughed. DOD squeezed every dollar they could stateside to ensure our combat forces in Afghanistan would not be impacted. But instead of eliminating what it created, Congress put a two-year delay on sequestration, which expired last fiscal year. Congress then passed a two-year budget deal which may bring some budget stability to the Pentagon, but only by kicking the sequestration can to the next administration.

The effect mandatory sequestration will have on recruiting and retention, when combined with better job opportunities in a healthy civilian market, could jeopardize the continued viability of the All-Volunteer Force.

Sequestration hurts the Defense Department the hardest, since its budget represents about 50 percent of the federal government's annual discretionary spending. But the unknown is what effect a continued sequester would have on the other federal agencies that support veterans, most notably the Department of Veterans Affairs, which is responsible for the final leg of the military personnel system triad (input, throughput, output). The VA has so far been exempt, but that doesn't prevent future budget requests from being less than the need. Also at risk is reduced Department of Labor-VETS services for veterans seeking employment, as well as the number and size of housing grants that the Department of Housing and Urban Development might have available for homeless veterans.

Congress must re-evaluate federal spending caps and permanently eliminate sequestration to ensure our government has the resources needed to fully care for our veterans and defend our nation from those who wish us harm.

FORCE OF THE FUTURE

There is no more important government responsibility than to provide for the security and integrity of the nation. As such, having a military is required by the United States Constitution, but serving in uniform is not, therefore any attempt to change any standards must first and foremost consider what the change brings to the fight.

Seventy-five percent of American males age 18-25 are unfit for military service due to aptitude, health, and physical fitness reasons, as well as criminal records. The All-Volunteer Force has exceeded all expectations for 43 years because standards have for the most part been maintained.

Longer maternity leaves, intra-service breaks and extended duty location assignments are command decisions. Lowering standards, however, is different. The VFW acknowledges that the military needs cyber warriors and many others with high tech talents, but we caution whether standards should be lowered to recruit them, because then it becomes a morale issue. For example, not every Marine can max out their physical fitness test by running 3 miles in 18 minutes, but every Marine is still a rifleman, just as every sailor is also a fireman. This is what the military demands of its members. There can be no exemptions to wearing the uniform.

QUALITY OF LIFE

Military Pay: Congress erased the double-digit pay gap of the 1990s by directing military pay raises from FY 2000-2006 to be a half-percent above private-sector wage increases, as measured by the Employment Cost Index (ECI), and raises from FY 2007-forward to match the ECI, although more could be authorized.

The 1.7 percent military pay raise for FY 2013 matched the ECI, but the Department of Defense — in its continuing campaign to slow the growth of military compensation due to budget constraints and the sequester — recommended that future pay increases be limited, despite knowing it could lead to another pay gap similar to the past.

Over the objections of the VFW but with the approval of Congress, the “Slow the Growth” initiative resulted in military pay raises of 1 percent in FY 2014 and 2015, and 1.3 percent in FY 2016, with the cumulative result being 2.6 percent less than the ECI for the three-year period. And the 1.6 percent raise requested for FY 2017 will be at least a full half point less than the expected private sector growth.

Changes to military pay and benefits are the top concerns of military service members and their families, as reflected in annual Blue Star Families surveys. Continued efforts to slow the growth of military compensation, combined with a better civilian jobs market, could directly impact recruiting and retention, which is why the VFW calls on Congress to maintain military base pay comparability with private-sector wages by matching annual military pay raise percentages to annual ECI increases.

Tricare Fee Increases: The VFW opposes all new Tricare fees and increases, as well as the dismantling and renaming of Tricare Prime and Standard/Extra just to circumvent the current law, which indexes any Tricare enrollment fee increases to annual Cost-of-Living Adjustments, as determined by the Consumer Price Index. Military retirees saw no COLA increase in their January 2016 paychecks, and no CPI projection validates the Pentagon’s proposed 25-percent enrollment fee increase for Prime, or new \$900 fee for Standard/Extra.

If DOD wants to reform its healthcare programs, then DOD should first eliminate its institutional inefficiencies, such as merging all three military medical commands into one joint command. Only then might military retirees entertain higher fees.

Caring for those who sacrifice to defend us is not cheap, and neither is the upfront, personal investment someone makes to voluntarily commit to a full military career. Any real or perceived erosion of benefits for career-minded personnel could undermine long-term retention, which could have a direct impact on the availability of quality leadership in the senior ranks.

The Pentagon’s proposal does maximize the use of Military Treatment Facilities (MTFs) as a provider of choice, and incentivizes all beneficiaries to use the Tricare prescription home delivery program. But maximizing MTF utilization can be done without raising or creating retiree enrollment and usage fees. The proposed pharmacy copayment increases are again an incentive for beneficiaries to consider using the mail-order delivery program, but the creation and/or doubling of copayments over the next 10 years needs to be communicated to all beneficiaries, especially to senior retirees who do live on fixed incomes, and who are required to first enroll in Medicare Part B before being eligible to enroll in Tricare for Life as a secondary insurer. And, as every senior retiree knows, enrolling in Medicare Part B comes with a minimum premium of \$121.80 per month, per eligible person.

PREVENTION & RESPONSE

Suicides: The reported veteran and military suicide rate of 22 a day is a nationwide crisis with possibly no solution, because the world’s best prevention and help programs still require someone to first ask for help. During the height of Operations Enduring Freedom and Iraqi

Freedom, half of all military suicides came from Reserve Component, though they only accounted for a quarter of ground forces — and many had never deployed.

The great majority of VFW members are not trained mental health counselors, but all VFW members share a common experience that belongs to all generations who have served in harm's way. Our families, too. What the VFW offers most is relevance, a handshake, pat on the back, and a sympathetic ear. We must all be cognizant of early warning signs, and be ready to assist when and where needed, and refer to professional help as appropriate.

Suicide among military personnel and veterans presents the most serious challenge to the Military Health System and the nation. The VFW commends DOD for reducing the suicide rate in our armed forces in recent years. Suicides in the military surged to 525 in 2012, meaning there were more suicides among service members than there were combat deaths. In response, DOD aggressively expanded its suicide prevention programs. As a result suicides among service members fell from 525 in 2012 to 474 in 2013 — a 10-percent drop.

However, the VFW is concerned that recent data shows suicides among active duty service members has increased slightly since 2013. We cannot allow military suicides to return to the 2012 level. Congress must do everything it can to ensure DOD provides adequate behavioral health counseling programs, and remains actively engaged in reversing the negative stigma associated with seeking help.

While suicide prevention is critical, the military services must also do more to curb the use of Other-Than-Honorable (OTH) discharges. Super troops don't self-destruct without an underlying reason, be it from their experiences of war, problems at home, sexual trauma, or a variety of other reasons. OTH discharges have a tremendous impact on transition, to the point of veterans not being able to receive VA care or benefits, and not being able to be employed by the federal and many state and local governments. All military commanders must be ordered to take extenuating circumstances into consideration before issuing OTH discharges. Whenever possible, the military needs to return advocates back into the community, not critics.

Sexual Trauma: The Defense Department's annual report on Sexual Assault in the Military Services indicated that 5,983 service members reported being sexual assaulted in FY 2014. The VA reported in October 2014 that 25 percent of female veterans and 1 percent of male veterans responded "yes" to a screening question regarding whether they had experienced a Military Sexual Trauma (MST).

It is widely held that a far greater number of MST victims do not come forward while on active duty due to embarrassment, lack of command action when they do file reports, or for fear of personal and/or professional reprisal, to include real or perceived "red flags" in their military personnel folders.

DOD's "Zero Tolerance" campaign has made great strides to encourage prevention efforts and tighten field reporting and managerial oversight, to include providing restricted and unrestricted options for reporting a sexual assault. DOD has begun keeping records that provide evidentiary support of the assault and its effect on service members, and has taken steps to improve the

actions of first responders, as well as to provide confidential counseling and other specialized treatments. Yet many MST victims are not aware of such services, which could help alleviate mental health issues commonly associated with sexual assault. Although the VA does not require MST victims to have first reported an incident or to have a VA disability rating before receiving treatment, more can still be done inside DOD with regards to prevention, treatment and reporting; now, therefore

The VFW urges DOD to continue strengthening its “Zero Tolerance” campaign by encouraging all MST victims to report their attacks, to provide victims with proper medical and mental health care, to aggressively investigate every reported incident, and to punish attackers as appropriate.

TRANSITION & RETIREMENT

New Military Retirement System: The new military retirement system will benefit all for their service, not just the 17 percent of service members who currently stay 20 years or longer. This recruiting initiative is needed to attract new generations of qualified enlistees who might otherwise not consider military service because it provides no employer match to portable 401k-style plans that virtually all civilian plans offer.

Beginning in January 1, 2018, the government will automatically contribute 1 percent of base pay to a new enlistee’s Thrift Savings Plan (TSP) account beginning the third month of enlistment, then up to 4 percent more through a government match beginning in Year 3 through 26 years of service, for a total of 5 percent. In its FY 2017 budget request, DOD would increase the government’s contribution to 6 percent total, and extend the match through a member’s career, but the offset would be the government wouldn’t start its match until Year 5.

The VFW supports increasing the government’s total TSP contribution to 6 percent — the 1 percent automatic and up to a 5-percent match — beginning the match at the start of Year 3, and extending the match throughout an individual’s military career.

Expand Operation Warfighter: Operation Warfighter is a Department of Defense program that allows wounded, ill and injured service members to intern with other federal departments and agencies while they recuperate or are on medical hold pending discharge or retirement. There is no cost to gaining agencies, as DOD pays each participant’s full military pay and allowances while he or she gains valuable federal civilian work experience for the average 20 hours per week, three-month internship.

The program has placed more than 2,500 recuperating service members with 90 different federal departments and agencies. More important, a third of them were offered fulltime employment after their military discharge or medical retirement. The merits of on-the-job training are proven, yet Operation Warfighter placements are limited to the federal government only, whereas the military’s “Working with Industry” program has for decades temporarily assigned commissioned and noncommissioned officers in a variety of commercial industries around the country, to include Wall Street, the publishing world, and even Google.

The military's "Working with Industry" program established a precedent that Operation Warfighter should follow. The VFW urges the Pentagon to expand internship opportunities to civilian industry as well as the nonprofit community.

Military Licensing and Credentialing: Transitioning service members often face significant delays and lost job opportunities because not all states recognize military training and experience as qualifying factors toward occupational licensing, credentialing and/or academic credit. In addition, service members who already hold licenses in good standing from one state might not be able to transfer these licenses to other jurisdictions.

Actions states can take to assist service members with licensing and certification portability are: endorse current licenses if requirements are substantially equivalent to the gaining state; provide credit toward licensure based on military training and experience; and adhere to American Council on Education standards when considering military education, training and experience toward academic credit. States could also authorize probationary employment while the veteran obtains the necessary state licenses and credentials, as well as expedite application procedures.

The military services should also consider training to industry standards, as applicable.

Military Spouse Licensing and Credentialing Portability: Every move is tough enough on military families, but it's even tougher on the one-third of working spouses who are in professions that require licenses or certifications.

Actions the states can take to assist military spouses with licensing and certification portability are: endorse current licenses if requirements are substantially equivalent to the gaining state; provide provisional licenses to allow military spouses to work while applying for gaining state licenses; and to expedite application procedures.

Civilian employers love hiring military spouses, even if it's only for a few years. The VFW urges all your individual state legislatures to do all they can to ease the portability of military spouse licenses and credentials.

Eliminate Concurrent Receipt Offset: A longtime VFW goal is to eliminate the dollar-for-dollar offset that penalizes military retirees who have VA disability ratings. The FY 2004 National Defense Authorization Act allowed for a 10-year phase-in of full concurrent receipt of military retirement pay and VA disability compensation of those rated 50 percent disabled or higher. The law did not, however, provide the same equity to service-connected disabled military retirees with VA disability ratings of 40 percent or below, or to Chapter 61 retirees who were medically retired with less than 20 years, regardless of VA disability rating. Now is the time to fix this inequity.

Reform Former Spouses Protection Act: In 1981, the U.S. Supreme Court ruled in *McCarty vs. McCarty* that military retirement pay is not divisible as community property in divorce proceedings. In 1982, however, Congress adopted the Uniformed Services Former Spouses Protection Act (USFSPA) to circumvent the Supreme Court's decision, thereby allowing military retirement pay to be divided in divorce settlements.

Thousands of military retirees are now under court-ordered garnishment because state courts have ruled military pay to be a property asset, causing military retirees to pay a court-ordered percentage of their retirement pay to former spouses regardless of fault, merit or need, and regardless of whether the former spouse remarries. In addition, certain inequities exist in the USFSPA, especially the "windfall provision," which grants divorce awards based upon the pay on the date of retirement not on the date of divorce, as well as a provision that requires service members with more than 20 years of service to divide their expected retired pay before their actual retirement date.

The VFW urges Congress to reform the Uniformed Services Former Spouses Protection Act by basing the award amount on the service member's rank at the time of divorce, not expected rank upon retirement; to not require service members with more than 20 years of service to divide expected retired pay before they actually retire; and to terminate payments if the former spouse remarries.

GUARD & RESERVE

Education: The VFW remains firmly committed to protecting the integrity of the Post-9/11 GI Bill, which we view as one of the most significant benefits this nation provides to our newest generation of veterans. However, the way program eligibility is determined needs to be tweaked to better benefit those who serve in a combat theater.

Currently, all veterans who serve 36 months on active duty after 9/11 qualify for the Post-9/11 GI Bill at the 100 percent rate, regardless of where they served. The "36-month active-duty" eligibility requirement, however, is inequitable to combat veterans of the Reserve Component, who have been called up and deployed in unprecedented numbers. Without 36 cumulative months of active service, they would only be eligible for an apportioned amount of the Post-9/11 GI Bill. So it is entirely possible for a Guardsman or Reservist to have completed two one-year tours, or as many as five six-month tours in Iraq or Afghanistan, and still not qualify for 100 percent of the educational benefit named after the era in which they fought.

Title 38 eligibility requirements do not fall under the purview of this committee, but as with many DOD and VA programs, it is another crossover benefit that directly impacts transitioning, which is a prime focus of this committee. As the nation's largest and oldest major war veterans' organization, the VFW strongly believes that all veterans who deploy to war should qualify for the Post-9/11 GI Bill at the 100 percent rate.

Issue DD-214s to All RC Members: Virtually all veterans are eligible for VA medical care, as well as compensation and pension, if a service-connected wound, illness or injury occurred while on active duty. Eligibility for other VA benefits, however, is based on presenting proof of active military service in the form of a DD Form 214.

According to Title 10, a member of the Guard or Reserve can only receive a DD-214 if they serve at minimum 90 days of continuous active duty, although military service secretaries have the authority to issue the forms for shorter time periods. The Guard and Reserve contributed a

quarter of all ground forces deployed into Iraq and Afghanistan, and half of all Air Force airlift, yet similar to the active force, not every RC member had the opportunity to deploy much less be activated for 90 consecutive days.

The VFW urges Congress to delete the 90-day activation requirement and provide DD-214s to all Reserve Component members who separate or retire under conditions other than dishonorable.

Correct RC Early Retirement Pay Provisions: America's reliance on its Reserve Component has been unprecedented in our nation's history. According to the Defense Department, more than 900,000 members of the Guard and Reserve have served on active duty since 9/11, with a third of them serving multiple tours.

RC retirees are eligible to receive military retirement pay at age 60, but in an effort to recognize their service, the FY 2008 National Defense Authorization Act allowed National Guard and Reserve members to lower their retirement pay eligibility age by three months for every 90 days served on active duty, beginning after Jan. 29, 2008.

The authorization did not, however, extend early retirement credit to hundreds of thousands who were activated prior to the implementation date, nor did it include a carryover clause, which meant the credit was only awarded if the minimum 90-day activation period occurred within the same fiscal year. The FY 2015 NDAA amends the earlier language by including a carryover clause for RC members activated after Sept. 30, 2014, but the new law did not extend the carryover provision back to Jan. 29, 2008, or grandfather any early retirement credits back to 9/11. This inequity discounts the dedication and sacrifice of our Reserve Component members serving at home and abroad.

The VFW urges Congress to grandfather all early retirement credits to all Reserve Component members who were activated in support of a contingency operation from 9/11 forward.

SURVIVORS

Eliminate the SBP-DIC Offset: A longtime VFW goal is to eliminate the dollar-for-dollar offset that continues to deny more than 60,000 surviving military spouses from concurrently receiving Survivor Benefit Plan (SBP) payments from the Department of Defense, and Dependency and Indemnity Compensation (DIC) payments from the Department of Veterans Affairs.

Similar to life insurance, SBP is purchased by the military retiree and is intended to provide up to 55 percent of his/her retirement pay to a surviving spouse. DIC is a modest indemnity compensation benefit of \$1,254 per month that the VA pays to surviving spouses whose loved ones died from a service-connected wound, illness or injury. Despite the two payments being paid for two different reasons from two different federal departments, all monthly SBP retirement payments are first offset by the \$1,254 DIC payment.

The SBC-DIC offset only exists to save the government money, to prevent the appearance of duplicative monetary benefits, which is perhaps the ultimate insult our government can inflict on surviving spouses. The message this aptly termed "Widow's Tax" sends to our military men and women and their families is that the United States Government salutes your service while in uniform, but should you die on active duty or from service-connected conditions after retirement, you now cost too much.

Last year the Military Compensation and Retirement Modernization Commission recommended a new SBP program with substantially higher (a fluctuating 11.25 percent) monthly premiums in order to receive full DIC without offset.

The VFW concurs with the Commission's goal to eliminate the offset, but we disagree with its funding method. The VFW's position is for the full repeal of the SBP-DIC offset, not to subsidize it out of the pockets of military retirees, who on the top end already sacrifice 6.5 percent of their monthly retirement pay — for 360 consecutive months and reached the age of 70 — just to ensure their surviving spouses will receive 55 percent of their retirement pay.

CONCLUSION

The Veterans of Foreign Wars of the United States thanks the Senate Armed Services Committee and its Personnel Subcommittee for your unfailing support of our men and women in uniform and their families.

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ABOUT THE VETERANS OF FOREIGN WARS OF THE U.S.: The VFW is a nonprofit, veterans' service organization comprised of eligible veterans and military service members from the active, Guard and Reserve forces. Founded in 1899 and chartered by Congress in 1936, the VFW is the nation's largest organization of war veterans, and its oldest major veterans' organization. With nearly 1.7 million VFW and Auxiliary members located in more than 6,700 Posts worldwide, the organization is dedicated to veterans' service, legislative advocacy, and military and community service programs. For more information or to join, visit our website at www.vfw.org.

ABOUT JOSEPH E. DAVIS: Joe Davis joined the staff of the VFW Washington Office as its Director of Public Affairs in April 2004. His duties include serving as national spokesman for the nearly 1.7 million total-member organization on issues ranging from national security and foreign affairs to the proper care and treatment of veterans, service members and their families. He enlisted in the Air Force in March 1976 and attained the rank of Staff Sergeant when selected to attend Air Force Officer Training School. He would retire in the rank of Major in April 2000 with an overseas deployment history that includes Saudi Arabia and Kuwait, Somalia, and Rwanda. He is a three-time Chief of Public Affairs at Myrtle Beach AFB, S.C., Luke AFB, Ariz., and Hickam AFB, Hawaii; was the Acting Chief of Media for Headquarters, Air Mobility Command, Scott AFB, Ill.; and prior to his military retirement was the Deputy Chief of Public Affairs for the operational arm of what is now the Defense POW/MIA Accounting Agency.

Senator GRAHAM. Thank you. That was excellent by all of you.

Ms. Raezer, when it comes to TRICARE reform, my goal is to make the program sustainable in terms of the budget but also to make it more efficient and not repackage the system and just charge you more. That is exactly where we are headed, and we are not going to do that. We are going to change the system. Give me just a couple of top line recommendations.

Ms. RAEZER. I think, first of all, start with what you are talking about, start with what is the benefit we want to deliver, what are the problems we need to solve. Start with designing that and then talk about what people should pay.

Consider the whole military health system. We cannot wall off the military treatment facility and say they have got to take care of readiness. They do not have a dog in this hunt. They do. Our Active Duty families are having the most trouble with the direct care system. So we have to consider it as a system.

Look at ways to pilot some innovations. I think some of the suggestions on the Reserve component side may be useful for pilots or—

Senator GRAHAM. Can I interrupt right there? Mr. Bousum. How do you say it?

Mr. BOUSUM. Bousum.

Senator GRAHAM. Bousum. I am sorry.

So we are actually thinking about taking the Guard and Reserve and basically putting it into the Federal employee system. Right?

Mr. BOUSUM. Correct.

Senator GRAHAM. To me that is pretty exciting. I mean, Guard and reservists generally speaking are not next to military treatment facilities, and it basically would give you the same access to providers every Member of Congress and our staff has. You feel like that would be the way to go?

Mr. BOUSUM. We do feel like that would be the way to go.

Senator GRAHAM. You know you got to pay for it.

Mr. BOUSUM. True. On that point, we would like for TRICARE Reserve Select to be an option on FEHBP [Federal Employee Health Benefits Program].

Senator GRAHAM. Perfect.

Ms. Roth—

Ms. ROTH-DOUQUET. Like a bouquet of flowers.

Senator GRAHAM. Douquet. Okay.

About child care, that is probably a problem for everybody in the country I guess. What could we do better?

Ms. ROTH-DOUQUET. There are a couple things. It is a problem for everyone in the country, but it is moving every one, two, and three years. So even if you do find it, you break it and have to start over again.

Senator GRAHAM. That is the problem is just people move all the time.

Ms. ROTH-DOUQUET. That is the problem. Exactly.

I think there is a lot to be said in investing more in child care centers on base and extending the hours to hours that military-connected women, the female servicemembers need, starting them from 4:00 a.m. going to 8:00 p.m. That would help a lot. Increasing

training for military spouses to be child care providers so that we both address employment—

Senator GRAHAM. That would fit two needs there.

Ms. ROTH-DOUQUET. You would hit two needs there.

Recognizing that this is a reason people leave military service, both females and males. So there is a rationale for making investments in it that pay off.

Senator GRAHAM. We will definitely push that to make sure they are looking at using the talented people to maybe provide child care.

Mr. Davis, I really appreciate you talking about sequestration. I just want you to know that if we do not fix the top lines, none of this is going to work. When 70 percent of the Marine Corps' expense comes in personnel, I do not know how you keep them ready to fight. This is insane. The threat levels are going through the roof. The number of people in the services is well below what the threat level exists, and we are taking money out of modernization, which means the next fight is—I am not looking for a fair fight. I want an overwhelming advantage to all the enemies this country may ever face. So I just want to compliment you because you are one of the first organizations to actually weigh in on the elephant in the room, which is the top line number.

Mr. DAVIS. Thank you, Mr. Chairman. I appreciated the last panel discussion about sequestration because it was created 5 years ago, but it is still the law of the land.

Senator GRAHAM. Look what has happened in the last 5 years.

Mr. DAVIS. You know, everybody in Congress hates it, but nobody has yet dropped the legislation to end it. We have got to figure out how to fix it.

Senator GRAHAM. Thank you all.

When it comes to health care, I want to try to do in health care what we did in retirement, think outside the box and get better value and save some money in the process.

Senator Gillibrand?

Senator GILLIBRAND. Thank you, Mr. Chairman.

Ms. Roth-Douquet, I would like to work with you on a child care center proposal to actually write language for this year's NDAA because I think it is fundamentally one of the biggest problems about why some of the men and women we have trained for 10 years are leaving the military because right when childbearing years happen, they do not have the resources for affordable day care and they cannot manage their child care responsibilities. So we are losing so much of our trained men and women because we did not take care of their most important need. So I would like to work with you.

I would like to ask you, Ms. Raezer, about a bill that Senator Blunt and I introduced in the fall. It is called the Military Family Stability Act, which both of your organizations support. It allows families of servicemembers to move ahead or remain behind for up to 6 months for schooling and employment purposes.

So what led your organizations to support the bill?

I also support family leave for servicemembers to care for children or sick family members. From your experience and that of your members, would a more generous leave policy for spouses also

be helpful? Would these policies not help with retention and improve the view of the military as a family-friendly employer?

Ms. RAEZER. Thank you, Senator Gillibrand.

I just also want to note on the child care issue our written statement contains some of our recommendations on solutions for the child care issue. So we would love to work with you on that as well.

Senator GILLIBRAND. Great.

Ms. RAEZER. I think the Stability Act—I think military families are seeking certainty but sometimes that certainty means they need some flexibility to adjust family life to the needs of the military. Too often, they do not have that flexibility to create a little more certainty in their lives. Whether that makes sense or not, it does to many military families.

What the Stability Act does and was attractive to us was that it allowed families to plan not just forcing all of their plans around a PCS move. We have a senior in high school. It would be great to be able to allow that senior to graduate. We have a spouse finishing their degree program in nursing, one more semester to go. Would it not be great? Or spouse that knows they are going to PCS, has been looking or a job finds one, but they need him or to start now, allowing that family to move ahead. That kind of flexibility adds to the military family's loyalty to the military. It could add to family financial stability, and it also helps the family feel a little more in control of their circumstances. That is why we support it and that is why we appreciate your introducing that bill.

Senator GILLIBRAND. Thoughts on leave, paid leave?

Ms. ROTH-DOUQUET. I think paid leave is very useful. What we find with our young families—and they are millennials—having some control is extremely important to them. So the Family Stability Act allows them to choose for their family when the move is a good time to go. I think the paid leave also puts a little modicum of choice into their own hands. The uncertainty of military lifestyle is the number one concern that servicemembers stated in our last survey. These kinds of efforts make a huge difference with that.

People pay out of pocket. My husband and mine's last move—we paid \$10,000 out of pocket to keep our children in school in Germany to finish the semester when he had a PCS June 1st. If I was not working, that would have been extremely difficult for our family. That happens over and over again. Twenty-five percent of military families choose to live geographically separated because of issues that make moving together difficult. That is too much for our families and for the future.

Senator GILLIBRAND. Thank you.

Mr. Bousum, I believe the National Guard can play a unique role in recruiting and training cyber warriors. Individuals in the private sector can join the National Guard, leveraging their expertise for the military. For servicemembers with training in cyber warfare, they can move into the National Guard upon retirement, allowing the military to continue utilizing their skills and knowledge.

What do you see as the role of the National Guard in cyber warfare? How can DOD better support our National Guard members?

Mr. BOUSUM. I agree. I think that partnerships, especially in more populated corridors where our guardsmen and women can go in and work in the private sector and actually be skilled up on how

to secure private company databases—yes, I think that a public-private partnership would be a good first step, and I definitely think that there is room for the Guard in this area.

Senator GILLIBRAND. Great.

For the record, Ms. Roth-Douquet and Ms. Raezer, I want to ask you specifically about the cutting of the autism reimbursements, and you can answer that for the record. But we have heard it is really damaging because the reimbursement rates for the people who typically give the applied behavioral therapy is so low that they cannot get a number of treatments that they need. So that I will leave for the record.

Senator GILLIBRAND. For Mr. Davis for the record, I am very concerned about Agent Orange for our blue water Navy vets getting the treatment that they need. The VA has been arbitrary and just decided if you are serving on blue water, you are not covered. If it was brown water, you are covered, even though aircraft was covered with Agent Orange, even though they were drinking and bathing in Agent Orange-strewn water and have the diseases related to exposure.

I would like a question for the record on that specifically for you to respond to.

Senator GILLIBRAND. Thank you so much for your testimony.

Senator GRAHAM. Senator King?

Senator KING. Thank you, Mr. Chair. Thank you for allowing me to rejoin the hearing.

First to our two representatives of the families, in my college years in the Washington area, I worked for Allied Van Lines moving principally military families. I will never forget one military spouse turned to me and said, you know, five moves equals a fire. That was the pressure of the moving and the wear and tear on the family and also on the possessions. I just want to join with Senator Gillibrand. We have got to build in flexibility for the family when the duty station changes but the school is still not done. I mean, I think that is something that we really need to take care of hopefully this year because it is just so difficult.

Mr. Bousum, we talked in the prior panel about the OPTEMPO, and part of that is the Guard and the pressure that has been put on the Guard in recent years. Are we overstressing the Guard by numbers of deployments, length of deployment, and is that something that we should be concerned about both in terms of the Guard, and I am also concerned about the employer base, which is starting to get testy about this frequent deployment and lengths of deployment.

Mr. BOUSUM. I do not think we are overstressing the Guard. I think that the Guard would like to see more predictability. I also think that the overuse of 12304b orders—and part of that is in my written testimony—is putting a lot of stress on family members and our servicemembers. But I do not think that we are overstressing the Guard.

Senator KING. So predictability is more important to you than numbers, number of deployments.

The Guard rests to some extent on the good will and support of employers, and I am hearing resistance from employers.

Mr. BOUSUM. I think it has a bit to do with predictability, not quantity. I think that in the post-9/11 world, the reason people join the Guard or the Active component is because they want to serve. So our members of the Guard want to serve. They just want more predictability so that they can allow their employer to plan for it.

Senator KING. Good. That is helpful.

I will ask the same question for the record that I asked of the prior panel, and that is, could you supply your reflections and thoughts on the effect of the retirement changes that were made last year, and are there some necessary adjustments to achieve the goals of that plan but to achieve them in a more equitable or more effective way? So if you could just give us that for the record.

Senator KING. The largest question before this committee is, are we recruiting and retaining the people that we need? Are there policies that are getting in the way? It worries me that, at a time of increasing threats, we are downsizing, as you probably heard me ask the questions. But also, the requirements for our military personnel are increasing. We have Navy ships now that are manned by—personed by half of the number that were there 5 to 10 years ago. So the skill level is raised. Are the personnel policies, salaries, benefits, retirement sufficient to attract and retain the people that we need?

Ms. RAEZER. I think that is a huge question that the Department faces, that the Nation faces. Right now, if you look at the recruiting numbers, you are seeing the services are meeting their numbers. They are struggling in some cases, but they are meeting their numbers.

We are concerned on the retention side, as all of these things that we have talked about today, the OPTEMPO, the unpredictability, the uncertainty, the pressure on compensation and benefits, the inability to find child care or get an appointment for a sick child or to help that special needs child with additional services, that that day-to-day grind sometimes is what is wearing our folks down to the point where they say we cannot do this anymore. A spouse finds a good job, and the servicemember says, you know, let us get out know. Let us not move. Let us not mess up what we have. That is the worry.

Senator KING. The retention is so important because if we could move the average retention out a year, that would be a significant savings across the board because of the training costs. We are spending a lot of money to train people for a 5-year stint. I understand the average retention period is about 5-plus years. Is that the right number?

Ms. RAEZER. It depends on the service.

Mr. BOUSUM. Yes, it depends on the service. It depends on the component. The National Guard tends to serve much longer.

Senator KING. Oh, yes, much longer. I understand, but I am talking about Active Duty.

I mean, retention, it seems to me, has got to be a key element because of the training costs.

Ms. RAEZER. But it is also difficult right now because several of the services are downsizing. So what is the incentive for somebody who is highly skilled, who has skills that are in demand outside the military? Even if they want to stay in the uncertain time of

downsizing, what is the incentive to stay? If you can find a better opportunity, take it. Part of the retention problem is the uncertainty the military faces.

Senator KING. I want to ask our two advocates for the families to answer this question. If you could wave a wand, if you were sitting on this side of the dais—not that we get to wave wands. It is harder than that. But if you could wave a wand, what are the two or three things that you would do to improve the lives of military families?

Ms. ROTH-DOUQUET. I frankly think we have the opportunity to do that and not spend a lot of budget money, and that is to use the bully pulpit to bring more jobs to military spouses. We can double the pay of most military families, the majority, 60 percent, by employing spouses at the level they want to be working and that they are employed and able to work. It is one of the top reasons that otherwise promotable people leave the service. It is just families taking care of themselves the way they want to and the way other American families do.

Senator KING. Is the difficulty for spouses due to the mobility problem? They have a hard time getting a job—

Ms. ROTH-DOUQUET. Most people get jobs through relationships, and when you are moving every one, two, or three years, you are in a place where it takes a while to get a relationship. But now that there is remote work—and military spouses are invisible. You cannot tell they are a military spouse. But if we called on the American people to hire these talented folks particularly in technology and remote work areas or in the kinds of work we were talking about with child care or give more of a preference for on-base hiring, especially overseas where people are otherwise not able to work, yet we are flying people overseas to take jobs that military spouses could do, we could make a significant dent in something that I think is actually destabilizing our force.

Senator KING. A new motto, Mr. Chairman. Support our warriors. Hire the spouse.

Senator GRAHAM. Very good.

Ms. ROTH-DOUQUET. There you go.

Ms. RAEZER. If I could wave a wand and fix something, I would make the military health system more responsive to the needs of our families.

Senator GRAHAM. Senator Blumenthal?

Senator BLUMENTHAL. Thanks, Mr. Chairman.

I can attest to the fact that nobody on this side of the United States Senate wears a Blue Star. I want to thank you for your excellent work.

People sometimes say to me, oh, only two of you? But the fact of the matter is that less than 2 percent of our population has really been involved in an Active family way in any of the wars over these last 15 years. I think that accounts for some of the issues that have been raised here because if more people were affected, there would be more interest and less invisibility to the issues that you have very rightly raised. I certainly commend you, all of you, for focusing on the need for greater health care and job opportunities, training for spouses, and other members of military families.

I want to ask you, Mr. Bousum, you made a statement which I cannot contest with any hard evidence, but my experience has been—and I spend a lot of time with our National Guard and our reservists in Connecticut, but they are really weary that their families, more than they, are weary. Our National Guard and our Reserve are always ready to go. They will answer the call. They are there because they want to serve, as you have said correctly. But their families pay an enormous price, their children. After two, three, or more deployments over a period of maybe 5 to 10 years, their families suffer or serve and sacrifice as much or more than they do. So I would tend to agree that maybe they are not feeling the war weariness and maybe the direct effects, but their families seem to be—at least substantial numbers.

Would you agree or disagree? I would be interested in your thoughts.

Mr. BOUSUM. Yes, I do agree with that, and I certainly agree with your statement that our family members make as much of a sacrifice as our servicemembers do.

I think that a lot of what you are saying has to do with the continuity of care challenges in the health care realm that part of this hearing is trying to address. There is a lot of bureaucracy when we have 30-some duty statuses and there is a lot of fudging the numbers and pushing the paperwork in a way that it jeopardizes the benefits that our servicemembers receive. There is a lot of knee-jerk reactions and decisions based off of information that they just got the day before. I think that if we can address some of the health care challenges facing our members of the National Guard, especially rural members of the National Guard, that we will start to see that turn around.

Senator BLUMENTHAL. Let me ask all of you. I was particularly interested in what you said, Mr. Davis, about the link between national security and personnel policy because I think the two are clearly related.

You know, I just came from a hearing of the Airland Subcommittee of the Armed Services Committee, and the Air Force was testifying. In a remote paragraph of one of the testimonies, there was this fact. We have 511 open pilot positions right now, a deficit, as they put it, of 511, which is expected to increase to 834 by 2022. We tend to focus on all the bright, shiny objects, the new hardware, the F-35, the new planes and all the technology that is exploding in significance, and we should be because ultimately that technology and weapons platforms are key. But we need to recruit and retain, train, and put to work the best of our people in the United States. So I want to thank you all for your focus on this fact.

This subcommittee is in my view as important or more important than any of the other subcommittees that we have because ultimately our greatest asset as a military is our people.

Thank you very much for being here.

Senator GRAHAM. Any other questions?

[No response.]

Senator GRAHAM. It is often said you recruit individuals and you retain families. You think about it. A lot of people come in single.

By the time they reenlist, they are well on their way to having their own families.

Mr. Davis, was there anything you wanted to add?

Mr. DAVIS. Sir, I could ask Scott right here to read because I basically said right here you recruit the individuals and retain the families. I just wrote it as a note.

[Laughter.]

Senator GRAHAM. The NSA told me about what you were going to say.

[Laughter.]

Senator GRAHAM. The bottom line is not only do you help us understand the nature of family service, you have ideas. I like you all because you just do not complain. You actually have concrete things that maybe we can implement. Without you, we would be literally in the dark because only two members here have family members. So without you, we would really not understand what it is like to serve.

In that regard, thank you very much, and we will try to implement as much of your ideas as we can, given the budget constraints we have.

The hearing is adjourned.

[Whereupon, at 4:30 p.m., the hearing was adjourned.]

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR LINDSEY GRAHAM

1. Senator GRAHAM. Do you consider cryopreservation of eggs and sperm to be a medically necessary benefit or a quality of life benefit?

General McCONVILLE. Cryopreservation of eggs and sperm was announced by the Secretary of Defense on January 29, 2016 as a Force of the Future initiative, focused on improving the Quality of Life for Servicemembers and their families while improving the overall mission effectiveness and the strength and health of our teams. According to Army medical experts, this is a quality of life benefit.

Admiral MORAN. Because I am not a medical professional, I defer to the Surgeon General of the Navy on the medical aspects of cryopreservation. But I can certainly see that many servicemembers and their families may consider it a quality of life benefit, in addition to any medical necessity there may be for the practice.

General BRILAKIS. When cryopreservation of eggs and sperm is viewed in relation to postponing child birth due to operational or career demands, it may be considered a quality of life benefit. The question is more complex when viewed in relation to the remote possibility of losing fertility due to combat injuries. There are a host of legal, moral, ethical, and social impacts that must be analyzed and resolved prior to determining if this procedure, regardless of the reason, should become a service member benefit.

General GROSSO. Air Force cannot provide an official response to this question as it warrants a Department of Defense (DOD) response since this is a Secretary of Defense initiative.

Recommended Response for DOD: This investment will provide greater flexibility for our troops who want to start a family, but find it difficult because of where they find themselves in their careers. The military understands the demands upon our servicemembers and wants to help them balance commitments to force and commitments to family.

QUESTIONS SUBMITTED BY SENATOR KIRSTEN E. GILLIBRAND

COMBAT INTEGRATION IMPLEMENTATION

2. Senator GILLIBRAND. Now that the decision is made to open all military positions, including those in combat, to service by any individual, man or woman, who can meet the occupational standard, what is the way ahead for each of your services

in implementing that decision, and how will you work toward ensuring success in this effort?

General McCONVILLE. Upon receiving Secretary of Defense's approval of the Army's implementation plan, we will execute a detailed, incremental, and methodical approach by publishing an execution order. The Army will focus on gender-neutral standards, and a leader's first approach, meaning that female infantry and armor leaders (officers or noncommissioned officers) would be assigned prior to the assignment of female enlisted soldiers being assigned. The Army will continue to assess the execution of its implementation plan through continued studies to ensure successful gender integration.

Admiral MORAN. We will apply lessons learned from previous integration into ships and submarines and will follow approved implementation plans, while upholding validated, operationally-relevant, gender-neutral, occupational standards. We will select only the best, fully-qualified candidates for entry into each profession, including those involving combat roles.

General BRILAKIS. The Marine Corps began executing the Integration Implementation Plan upon approval by the Secretary of Defense. The plan has five phases: Setting the Conditions; Recruiting; Entry-Level Training; Assignment; and Sustainment. The first two phases have already begun and the subsequent phases will begin when female recruits demonstrate an interest in formerly closed ground combat arms specialties and successfully pass the gender-neutral physical screening and entry-level training requirements, along with their male peers. The Integration Implementation Plan uses physical screening tests, well-defined occupational specialty standards, as well as teaming and training cohort assignments, for integration implementation success.

Education and assessment elements are critical components of the Integration Implementation Plan. The Education Plan will commence in May 2016 and run through all phases. It will use subject matter experts and a train-the-trainer approach to educate every Active Duty marine by October 2016 and Selective Marine Corps Reserve Marine by the end of January 2017. It will ensure marines understand relevant details of the Integration Implementation Plan, address misconceptions, and prepare marines and units for further female integration. The Assessment Plan will be the mechanism by which integration is evaluated and will inform in-stride policy adjustments as necessary. Data related to integration issues will be collected and analyzed to help identify opportunities to further improve the process and mitigate problems. Ultimately, assessment will result in refined policies that improve outcomes.

General GROSSO. The way ahead, per our Air Force Implementation Plan for Full Integration, includes opening and managing all military positions using the Air Force's existing life cycle processes (recruiting, accessions, training, and assignment processes). The Air Force Integration plan also pays special attention to seven integration emphasis areas highlighted by the Secretary of Defense's (Transparent Standards; Population Sizes; Physical Demands and Physiological Differences; Conduct and Culture; Talent Management; Operating Abroad; Assessment and Adjustment). Successful gender integration will take time and requires a focus on standards, policy, education and engaged leadership across the Total Force.

Our integration plan provides several deliberate steps to assist with integration to ensure we have created the best opportunities and environment for success. We have female cadre assigned in the training pipeline and being appointed in operational units to assist with integration. While we are not mandating any cohort size or holding up any training until a critical mass is reached, our plan values the benefits of mixing new airmen with more seasoned airmen where possible to help during integration and training. Our plan further includes education and communication tools and provides for periodic review, data tracking, and continuous assessments to allow incorporation of lessons learned and best practices as we move forward. Finally, our plan leverages existing Air Force education and training on culture and climate to ensure our Air Force standards for dignity and respect are practiced at all levels.

3. Senator GILLIBRAND. How are you working with your squad and unit level leaders to ensure successful integration?

General McCONVILLE. Once the Army receives Secretary of Defense's approval of its implementation plan, we will publish an execution order that will address an education, training, and communication strategy that will be focused on squad and unit-level leaders.

Admiral MORAN. Active, consistent, and committed leadership and professionalism will set and maintain a fair and equitable environment for successful integration. Additionally, we will ensure success by expanding female staff representation at

Naval Special Warfare training sites, providing instructor training, conducting leadership exchanges with integrated Special Operations Forces partners, and direct engagement with the force.

General BRILAKIS. Our education plan uses a train-the-trainer approach that organizes the entire Marine Corps into four tiers based on leadership level. Squad leaders and all more junior marines are part of the fourth tier and they will receive instruction from their platoon commanders and platoon sergeants (tier 3) who, in turn, receive education from their company commanders and first sergeants (tier 2). Tier 1 individuals will be the designated command representatives from every O-6/O-5-level command in the Marine Corps who receive their education from the Integration Education Plan subject matter experts directly.

Through the Integration Education Plan, marines will learn the accurate details of the Integration Implementation Plan, dispel misconceptions, and prepare marines, both female and male, for the responsibilities associated with integrated units and specialties.

General GROSSO. Leaders at all levels are vested in successful integration. We are receiving continuous assessment and feedback from leaders at the squadron and unit level to ensure successful integration. We have kept in close contact with the Air Force Recruiting Service, Air Force Personnel Center and Career Field Managers on potential accessions. When we have females enter the training pipeline and then assigned to operational units, leadership, working closely with their female support cadre, will provide monthly assessment reports to Air Staff which provide the status on integration best practices, lessons learned, issues and mitigation efforts. Our initial assessment of facilities, equipment, supplies and medical support proved adequate for integration, but we will continue to monitor and readdress as required. In addition, we have planned for the Air Force Inspector General (IG) to review and conduct continued assessment that standards are in compliance with public law and track and address any IG complaints related to integration.

4. Senator GILLIBRAND. General McConville and General Brilakis, are you developing predictive tests at the recruit stage to provide better outcomes for those servicemembers who seek to join the ground combat Forces and if so, can you describe the process being used to develop those tests?

General MCCONVILLE. The Army this year completed a Physical Demands Study and developed a four-event Occupational Physical Assessment Test (OPAT), which will allow the Army to screen applicants for their propensity to succeed in their assigned specialty prior to entry into training. All Army applicants, Officer and Enlisted, will be subject to screening with the OPAT. The OPAT is expected to be in place next month and to be used for screening later this fiscal year.

General BRILAKIS. Applicants seeking a Ground Combat Arms (GCA) military occupational specialty (MOS) must meet the following gender-neutral Initial Strength Test (IST) standards prior to shipment to recruit training: 3 pull-ups; 1.5 mile run in 13:30; 44 crunches in 2 minutes; and 45 Ammo can lifts. The IST is the first step in the physical screening process for an enlisted applicant to be eligible for a service in GCA MOSs. Meeting the IST standards provide reasonable assurance an applicant has the physical strength and stamina to successfully complete recruit training and meet the GCA MOS Classification Standards (MCS), a requirement to attend MOS specific training following graduation from recruit training.

GCA MOS Classification Standards (MCS) are more rigorous and must be met by each recruit who possesses a GCA contract prior to MOS classification toward the end of recruit training. The MCS are: 6 pull-ups; 3 mile run in 24:51; Movement to Contact within 3:26; 60 Ammo can lifts within 2 minutes; and Complete Maneuver Under Fire within 3:12. Our research indicates that recruits, who can meet these MCSs, have a reasonable assurance of performing the GCA MOS-Specific Physical Standards, are less likely to sustain physical injury in training, and are more likely to successfully complete the MOS qualification course.

5. Senator GILLIBRAND. What steps are you taking to prevent injuries?

General MCCONVILLE. Readiness remains the Army's number one priority, and preventing injuries of our soldiers is paramount to that goal. Over the past few years, the Army conducted multiple scientific studies and research to help us establish a deliberate, methodical, and standards based approach for putting the right soldiers in the right jobs.

US Army Medical Command (MEDCOM) and the US Army Research Institute of Environmental Medicine (USARIEM) conducted a comprehensive Physical Demands Study to analyze the physiological requirements of combat occupations. The study led to the development of a physical screening test called the Occupational Physical Assessment Test (OPAT), which beginning June 1, 2016, will help the Army select

applicants for occupations which they are physically capable of performing to standard.

Furthermore, the Army believes the OPAT will help improve performance, reduce attrition, decrease lost training time, improve retention, reduce injury, improve overall satisfaction, and improve total health.

Admiral MORAN. A Naval Special Warfare (NSW) Human Performance Program was developed to address long-term physical human performance development and sustainment of NSW Active Duty personnel by providing the highest levels of musculoskeletal care and human performance enhancement. The program is designed to optimize personnel readiness while sustaining and extending each participant's operational career through state-of-the-art sports medicine, rehabilitation, physical and mental performance enhancement, and nutritional programs.

NSW continues to conduct studies with Ohio State University, University of Pittsburgh, Naval Postgraduate School, and Center for Naval Analyses to reduce musculoskeletal injury and improve physical readiness. NSW will continue to track injury rates for all candidates, and injury rates among female candidates will be compared with those of their male counterparts, to identify whether the need for program changes is indicated.

Additionally, NSW Injury Prevention and NSW Rehabilitation Program guides are provided to prospective candidates for injury prevention and training pipeline preparation. The guides have been reviewed by medical personnel of the NSW community to ensure all policies, processes and practices are gender-neutral.

General BRILAKIS. The Marine Corps has developed a series of physical screens to try to minimize the likelihood of injuries for both male and female marines. First, prospective marines competing for ground combat specialties must complete the ground combat arms initial strength test and MOS Classification Standards. These tests will ensure that those individuals with a likelihood of succeeding in these specialties are assigned appropriately.

Subsequently, to maintain a physically-intense MOS, marines will need to pass the MOS Continuation Standards during their service in the operating Forces. The physical performance of non-ground combat arms MOS marines will be evaluated against the load-bearing ground combat arms (GCA) unit assignment criteria; those non-GCA MOS marines who are likely to succeed are assigned to load-bearing units. This will help prevent injuries among the non-GCA MOS marine population serving in load-bearing units (infantry, reconnaissance, special operations).

Finally, the Marine Corps is undergoing a comprehensive review of fitness throughout the Corps, led by our Training & Education Command. This includes potential modifications to the physical fitness test and combat fitness test that would incentivize greater fitness and make marines more resistant to injuries.

General GROSSO. The Air Force continues to pursue injury prevention methods for all airmen. We refined our injury prevention efforts and plan to introduce human performance optimization resources into the Battlefield Airmen Training. Injury prevention begins with education; on proper utilization of body mechanics, use of medically approved health supplements (such as iron for women), and preventive physical care/exercise/nutrition to strengthen the resilience of the musculoskeletal system. The Air Force will surveil to identify physical and mental injuries sustained by our Battlefield Airmen, to include over use, load bearing and technique driven injuries such as shallow water blackout or mental adaptive coaching. Prevention strategies are optimized to training and operational mission requirements. Some training and operational Battlefield Airmen units have programs that embed rapid rehabilitative capabilities along with preventive assets. These multidisciplinary teams include: physical therapists, strength and conditioning coaches, operational psychologists, athletic trainers, and sports medicine physicians. These multi-disciplinary teams have proven to increase physical and mental resilience, speed recovery from injury, and increase unit/mission readiness for the Battlefield Airmen.

6. Senator GILLIBRAND. Have you started to recruit women for combat arms positions, and if so, when do you expect the first assignments to be made?

General McCONVILLE. The Army has initiated gender neutral training for all occupations and plans to train female leaders first for the newly opened specialties, followed by recruiting and training the first junior enlisted women. The Army has already received applications for several dozen female officers, US Military Academy, ROTC and Officer Candidate School cadets/candidates to branch in the Infantry and Armor. These officers will begin training in the summer of 2016 and expected to reach their new units in early 2017. Beginning in April 2016, the Army plans to begin enlisting females for Infantry and Armor specialties and schedule them for One Station Unit Training (OSUT) classes that would allow them to arrive

in their first assignments after the arrival of female leaders in the same specialties to the same units.

Admiral MORAN. We have officially opened Special Warfare Officer (113X) and Special Operations Officer (114X) designators, and Special Warfare Operator (SEAL) and Special Warfare Combatant-craft Crewman (SWCC) enlisted ratings to all qualified applicants. Recruiters and the Naval Special Warfare officer and enlisted community managers are actively engaging with potential candidates interested in the program. Assignments occur upon graduation from SEAL and SWCC pipeline courses.

General BRILAKIS. Yes, the Marine Corps commenced recruiting and contracted over 70 women into select combat arms positions on 1 October 2014 following repeal of the 1994 Direct Ground Combat Definition and Assignment Rule by the Secretary of Defense. Some have completed training and are in the Operating Forces. On 15 March 2016, upon approval of the Marine Corps Force Integration Plan by the Secretary of Defense, the Marine Corps opened all remaining combat arms positions to women. Recently two female officers did request and were granted the change of MOS to Artillery while stationed at The Basic School, and are currently training at Fort Sill. The USMC has also received two lateral move requests from female enlisted marines who participated in the GCEITF. However, to date, no female enlisted recruit has either volunteered or qualified to be contracted by Marine Corps Recruiting Command into one of the newly opened load-bearing MOSs.

General GROSSO. Yes, the Air Force started to recruit women for combat arms positions on Jan 4, 2016. As with recruitment of men, there are unique challenges in finding women with the motivation, mental and physical prowess required for these special operations related career fields. While we have had some initial interest, female candidates have yet to enter any of the training pipelines.

Once we have a qualified candidate, Technical training for these career fields can run from 6 months to over two years. Due to this lengthy timeline, any woman qualifying for a combat position in 2016 will not be expected to finish training until 2017 or later.

7. Senator GILLIBRAND. How are you working with SOCOM to recruit and train women to compete for special operations positions?

General McCONVILLE. Army Recruiting Command's Special Operations Recruiting Battalion (SORB) works closely with the United States Army Special Operations Command (USASOC) to determine recruiting goals and requirements for specific units and military occupational specialties. USASOC continues to remain fully integrated with gender integration efforts at HQDA and SOCOM. Since the inception of the Women in Service Review in January 2013, USASOC actions have been synchronized and consistent with both HQDA and SOCOM. As the title 10 force providing headquarters, USASOC is responsible for training, manning, and equipping Army Special Operations Forces (SOF) operators for employment across the Geographic Combatant Commands. Current USASOC recruiting and training standards are gender neutral, operationally relevant, and designed to build and maintain the most qualified Army SOF operator; they mirror the Office of the Secretary of Defense-approved standards outlined in the Army and SOCOM implementation plans for gender integration. All infrastructure and administrative requirements have been met to receive female ARSOF candidates beginning on April 1, 2016.

Admiral MORAN. Naval Special Warfare (NSW) is synchronizing integration efforts with U.S. Special Operations Command (USSOCOM) by conducting working groups and through scheduled weekly interactions among working group counterparts. NSW continues to coordinate integration efforts with accession and training pipeline partners at Navy Recruiting Command, Recruit Training Command and Naval Service Training Command.

General BRILAKIS. The Marine Corps does not routinely work with SOCOM to recruit and train men and women for service in Special Operations; however, Marine Corps Forces Special Operations Command (MARSOC) has its own Recruiting & Advertising Branch. This branch educates the marines through multiple awareness platforms to include but not limited to Headquarters Marine Corps MARSOC Screening Team visit program, Manpower Management Command visit program, command sponsored local area visits, area canvassing, direct e-mail program, MARSOC recruiting website (www.marsoc.com), and informational handouts (posters, brochures and command pamphlets). Additionally, marines are provided a 10-week workout program in preparation for Assessment and Selection (A&S). MARSOC is working closely with Headquarters, Marine Corps to ensure that recruiting efforts are screening and assigning candidates with the requisite abilities and attributes that have the greatest potential for completing the training pipeline.

MARSOC is now actively screening female marines who volunteer for A&S. The next scheduled A&S begins August 2016, and has qualified candidates. Upon successful selection at A&S, marines will be slated for a school seat in an upcoming Individual Training Course (ITC). The next ITC begins in January 2017. MARSOC has ensured a two female cadre will be in place at ITC and is prepared for the arrival of female candidates who complete A&S. ITC is the MOS producing school for the Critical Skills Operator and Special Operations Officer. MARSOC primarily recruits Corporals, Sergeants, 1st Lieutenants and Captains who meet prerequisite standards listed within the Military Occupational Specialty Manual and the Marine Corps Force Integration Implementation Plan.

General GROSSO. The Air Force is working with SOCOM to recruit and train women to compete for special operations positions. For officer positions, SOF operators visit the AF Academy and select Air Force ROTC detachments to engage, inform and recruit male and female cadets into the SOF/BA career fields. We also have permanent party SOF representatives at the Air Force Academy who provide leadership, assist with recruiting, and provide guidance on training during the initial screening phase (to prepare cadets to pass the entry requirements broken into three phases for entry to SOF/BA career fields). For our enlisted positions, working with our Air Force recruiters, current and past SOF operators assist in informing and recruiting when they engage with members via phone or email about the career field, or when they visit base and community events and functions. In addition, the Air Force has contractors, who were previous SOF/BA operators, who are mentors and assist in developing and training candidates to help prepare them for success in meeting entry and training requirements.

8. Senator GILLIBRAND. General Brilakis, will the Marine Corps integrate all levels of training and if not, why not?

General BRILAKIS. Marine Corps recruit training is combined. Only during the initial phase is training accomplished separately. Recruit training is designed to transform civilians into marines. The initial separation of our recruits removes potential distraction and allows recruits to focus on their individual transformation to a marine. This sets our female marines up for success because it allows them to improve their physical fitness, to be led by female drill instructors, and to have female officers as role models. Recruit training gets more and more combined as recruits proceed through the recruit training syllabus and, once recruits graduate as marines, all Marine Corps training is fully combined. We believe the current training process, honed over decades of experience, enables recruits to succeed. It has proven, during war and peace, the best way to build marines.

9. Senator GILLIBRAND. General Brilakis, I noticed that the Marine Corps integration plan includes assigning women in cohorts. What size would those cohorts be and what will you do if only one woman passes an MOS school?

General BRILAKIS. The Integration Implementation Plan has two goals associated with the assignment of females to previously closed units. First is the "teaming" concept. The Marine Corps will seek to assign females in teams of at least two (ideally of the same military occupational specialty). Second is the "cohesive cohort" concept. Under the cohesive cohort concept, the Marine Corps will seek to assign female ground combat arms MOS marines to ground combat arms units along with male and female members of their training cohort from their entry-level MOS school. Male and female ground combat arms MOS marines who have trained together at MOS school have already observed each other's performance and can vouch for their respective abilities.

If only one woman passes a given MOS school then, in accordance with our assignment goals, she would be assigned to the unit with at least one other junior female of another MOS along with male members of her training cohesive cohort at the MOS school.

10. Senator GILLIBRAND. General Brilakis, I'm pleased to see that the Marine Corps established gender neutral standards for combat MOSs. How did you devise these standards? For example, the ground combat arms initial strength test requires 25 ammo can lifts; why 25?

General BRILAKIS. For clarification, the gender-neutral Initial Strength Test (IST) for applicants seeking a Program Enlisted For Code associated with a ground combat arms MOS consists of 3 Pull-ups; 1.5 mile run in 13:30 minutes; 44 Crunches in 2:00 minutes; and 45 (vice 25) Ammo Can Lifts in 2:00 minutes. Collectively, research efforts from 2012-2015 identified and validated MOS-specific gender-neutral tasks and correlated these tasks to the Service Physical Fitness Test and Combat Fitness Test events, enabling development of physical standards for IST for MOS

Screening and MOS Classification Standards (MCS) for MOS Classification. The IST and MCS for ground combat arms MOSs are based on the 95th percentile of collected performance data, providing a confidence level that 95 percent of those marines who screen through the IST would be able to meet the MOS Classification Standards by the end of recruit training. Meeting the MSCs in turn provides reasonable assurance that marines can perform MOS Specific Physical Standards (MSPS) necessary to achieve occupation qualification at the MOS Schools. As of 30 September 2015, gender-neutral occupational standards have been in use at all Marine Corps MOS-producing schools. As with all training, the Marine Corps will continue to review and update occupational standards to ensure mission effectiveness across the range of military operations.

11. Senator GILLIBRAND. General Brilakis, how many marines met these standards in the research phase?

General BRILAKIS. All of them. Every individual—male and female—met the minimum occupational standard for their participation in the research. No unqualified individuals were used in the research. For example, female 0311 subjects had to graduate from the Infantry Training Battalion 0311 course. Additionally, all combat arms female marines had to meet a minimum male 17–26 year old Physical Fitness Test (PFT) and Combat Fitness Test (CFT) passing score, the same as male participants.

12. Senator GILLIBRAND. General Brilakis, can you tell me what percentage of the men and of the women met the standards in the research phase?

General BRILAKIS. All of them. Every individual—male and female—met the minimum occupational standard for their participation in the research. No unqualified individuals were used in the research. For example, female 0311 subjects had to graduate from the Infantry Training Battalion 0311 course. Additionally, all combat arms female marines had to meet a minimum male 17–26 year old Physical Fitness Test (PFT) and Combat Fitness Test (CFT) passing score, the same as male participants.

13. Senator GILLIBRAND. General Brilakis, in your testimony you stated, in regards to combat integration: “The framework of our research was—and continues to be—viewed through three interrelated lenses: first and foremost, the combat effectiveness of our marine units; second, the health and welfare of our individual marines; and finally, with an eye toward the best talent management of our total force—both today and into the future. I continue to have concerns in all three areas, but am confident that our assessment and subsequent adjustments during implementation will help us find the best way forward.” Can you expound on your concerns, and how would you address each of them?

General BRILAKIS. Our study showed that female marines are capable of performing physically demanding tasks. However, across all ground combat occupational specialties, the gender integrated teams, squads, or crews demonstrated somewhat lower performance in the time to complete physically-intense tasks, especially under load. This occurred despite the fact that our female volunteers were considered to be an above-average to well-above-average representation of the PFC-Sergeant female population, and had successfully met the physical and academic requirements to graduate from their ground combat arms MOS-producing school. I believe that clear and occupationally-relevant physical performance standards at different points in the accessions and entry-level training continuum will help mitigate this risk.

The associated risk is directly linked to the physiological differences between males and females, and the risk lies in the cumulative impact of this physiological disadvantage over the course of regular, recurring and increasingly more challenging dismounted movements under load in the operating Forces. The disparity in injury rates between males and females at the Infantry Training Battalion and during the conduct of our assessment provides an early indicator to that effect. We will try to combat injury risk through physical training preparation and equipment enhancements.

In regard to talent management, we have worked to increase the number of female accessions, both officer and enlisted, to unprecedented levels in the past few years. The Marine Corps does risk losing talented female marines prematurely due to injury and the extreme physical demands of the combat arms occupations. An inextricable linkage exists between physical capacity and job performance, especially in the early stages of a young marine’s career. The possibility of a female marine being less competitive in these occupations may adversely impact our ability to retain females into more senior ranks. This would be a tremendous loss for our Corps.

RETALIATION

14. Senator GILLIBRAND. Admiral Moran, you said that there is one case of retaliation that was prosecuted in the Navy. Can you please provide information about this case including the ranks of the offender and victim, whether there was a supervisory relationship between offender and victim, the court-martial forum, whether the member was tried by panel or judge-alone, the punishment adjudged, the punishment approved, and whether there was a plea agreement in the case?

Admiral MORAN. Senator, to clarify, while the offender was held accountable there was no prosecution under the Uniform Code of Military Justice in this case. The offender was a senior chief petty officer (E-8), and the victim a petty officer third class (E-4). The senior chief was not the victim's direct supervisor, but was in her chain of command.

In February 2011, the victim initiated a protected communication under title 10, United States Code, section 1034, specifically, by filing, with the Command Managed Equal Opportunity Advisor, an informal sexual harassment complaint against another member of the command. A review by the Inspector General of the Navy found that the senior chief was aware of the protected communication and had committed reprisal against the victim by failing to forward her Officer Candidate School (OCS) application for consideration by the chain of command.

Following the Inspector General's findings, the completed investigation was forwarded to commander, U.S. Naval Forces Central Command, for administrative or disciplinary action against the offender. The commander determined that court-martial was disproportionate to the offense, and flag-level formal administrative counseling was the appropriate action against the offender. The commander informed the Assistant Secretary of the Navy (Manpower and Reserve Affairs) of his determination and that the flag-level counseling had been completed.

The investigation was also forwarded to me for corrective action on behalf of the victim; unfortunately, I was unable to take corrective action. The victim had informed the Inspector General that she no longer wished to be considered for commission as a naval officer. I informed the Assistant Secretary of the Navy (Manpower and Reserve Affairs) of this result. However, I ordered that an appropriately redacted copy of the Inspector General's investigation be inserted in the senior chief's Official Military Personnel File and, following appropriate due process procedures, I subsequently disapproved the senior chief's advancement to master chief petty officer (E-9), which will also be documented in his record.

 QUESTIONS SUBMITTED BY SENATOR BILL NELSON

SURVIVOR BENEFIT PLAN OFFSET BY DEATH INDEMNITY COMPENSATION

15. Senator NELSON. General McConville, Admiral Moran, General Brilakis, General Grosso, currently eligible survivors of Active Duty personnel and veterans who have died due to causes connected with their military service have Survivor Benefit Plan (SBP) annuities they receive reduced dollar-for-dollar by the amount of Death Indemnity Compensation (DIC) they receive (the SBP/DIC offset). Given that the SBP is a voluntary insurance program that military retirees pay premiums into, do you think it is acceptable that eligible survivors are denied full payout of this purchased annuity plan based on the receipt of a separate entitlement?

General McCONVILLE. As part of the Congressional review of the Compensation Reform we are aware of the legislative proposal aimed at adjusting the compensation under SBP and DIC. The intent of this proposal is to improve Survivor Benefits by granting servicemembers the option of purchasing additional SBP coverage, not offset by DIC. This would provide servicemembers both an increased choice as well as financially increased benefits.

Admiral MORAN. There has been a shift in recent years, most noticeably since the 9/11 terrorist attacks, away from original Congressional intent to provide a total benefit composed solely of SBP, solely of DIC, or of a combination of the two which would equal the full SBP benefit. While the emerging view suggests that the DIC offset reduces the survivor benefit, that view is inconsistent with original Congressional intent.

I believe we can never do enough for our service men and women, our veterans, and their families. If it were affordable, and could be funded within the overall President's budget without sacrificing other critical readiness priorities, changing the law to provide concurrent receipt of full SBP and DIC, without an offset, would be well-received by military surviving family members. But, I fully appreciate the persistent challenge of finding and establishing the right balance between applying increasingly austere resources to readiness costs and personnel costs.

General BRILAKIS. The Department of Defense has consistently opposed proposals to eliminate the offset between Survivor Benefit Plan (SBP) annuities and Dependency and Indemnity Compensation (DIC) at Government expense primarily because both programs have the same goal—to provide a continuing annuity to the survivors of military members or former members—and both benefits are subsidized by the Federal Government. DOD also notes that allowing concurrent receipt of SBP and DIC would create a group of survivors receiving two Government-subsidized survivor annuities, whereas survivors of most military retirees and survivors of veterans who did not serve to retirement would receive only one. Finally, eliminating the SBP offset for all survivors entitled to DIC would cost the Military Retirement Fund more than \$7 billion over 10 years. The Marine Corps defers to DOD on any change in position on this issue.

Admiral GROSSO. No, it is not. The Air Force fully supports the submission of OLC DESIGNATOR S.979 to repeal the requirement for reduction of survivor annuities under the SBP by DIC.

SPECIAL SURVIVOR INDEMNITY ALLOWANCE

16. Senator NELSON. General McConville, Admiral Moran, General Brilakis, General Grosso, currently the Special Survivor Indemnity Allowance (SSIA) is payed to eligible survivors whose SBP annuities are offset in part or in whole by the DIC they receive—in effect offsetting the offset, at least partially. The SSIA provision expires at the end of fiscal year 2017. In the absence of a repeal of the SBP/DIC offset, do you think it is appropriate to extend SSIA, and if so, for how long?

General MCCONVILLE. According to the DOD Office of the Actuary, the SSIA provision was temporary and was therefore not included as part of the DOD budget. The DOD never budgeted as a permanent benefit for this provision and currently there are no plans to extend the SSIA past the end of fiscal year 2017. While this benefit would assist survivors by mitigating the SBP–DIC offset issue, it ultimately would run counter to the Department's efforts to control the costs of entitlement programs, achieve efficiencies and reduce the deficit.

Admiral MORAN. I support the Department of Defense position not to extend SSIA beyond fiscal year 2017.

General BRILAKIS. Currently there are no plans to extend the Special Survivor Indemnity Allowance past the end of fiscal year 2017. The program is not budgeted and will sunset on 30 September 2017. SSIA was enacted by Congress and is administered by DOD, so the Marine Corps defers to those entities on the appropriateness of extending the program.

General GROSSO. In the absence of a repeal to the SBP/DIC offset, extending SSIA would certainly benefit the survivors of military retirees who participate in SBP. As you can imagine, survivors now count on this additional money as income. Removing it totally could potentially cause hardship for many. The cost of a total repeal would cost the Military Retirement Fund more than \$7 billion over 10 years. The SSIA extension would provide some relief to survivors as the discussion to end the SBP/DIC offset continues. The initial legislation for SSIA allowed payments for 8 years with incremental increases, and should continue for the foreseeable future.

