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## Medicare Bill Heads for a Veto Showdown

AUSA sent a legislative alert last week urging our members to contact members of the Senate and tell them to complete action on legislation to reverse the 10.6 percent reduction in Medicare and TRICARE physician payment rates that went into effect on July 1. The Senate responded positively - passing the fix by a vote of 69-to-30.

So what's the problem? The White House. The President's staff has recommended he veto the legislation because of its reliance on cuts to private Medicare Advantage plans to pay for the bill.

TRICARE reimbursements are tied to Medicare payment rates and any reduction will diminish enormously the incentive for doctors to see any uniformed services beneficiaries – not just those over age 65. Finding doctors who accept TRICARE is an enormous problem for the military community - particularly for Guard and Reserve families, retirees, and survivors who live in areas with a small military population. Reimbursement cuts will make the situation even worse.

A veto could affect the health care for over 9.2 million uniformed service beneficiaries of all ages – particularly the more than 2 million TRICARE Standard and 65,000 TRICARE Reserve Select users.

Democrats are confident they can get the votes to override the veto — it passed with a veto-proof majority in both chambers — and many Republicans agree that President Bush will lose this battle.

"I expect that if you were willing to break from leadership and go from no to yes on cloture, you will vote the same way on final passage when that comes," a Republican aide said. "The bill is in the hands of the White House now and many Republicans hope the President changes his mind and signs the bill."

AUSA would like to send the White House a clear message on how we feel about this important legislation and we need your help. Go to the AUSA website, [www.ausa.org](http://www.ausa.org). Click on "Contact Congress" then after "Elected Officials" type your ZIP code and when the prepared letters list appears click on "Sign the Medicare Bill". Please do it today. The White House has indicated that the President will veto the bill tomorrow, July 15.

## No Defense Appropriations Bill this Year?

Grim news on the appropriations front. House Defense Appropriations Subcommittee Chairman John

Murtha, D-Pa., and Senate Majority Leader Harry Reid, D-Nev., both said that the likelihood of any appropriations bills being passed this year is slim.

Rep Murtha declared last week that as far as he is concerned, the entire appropriations process is "dead" for the year. He added, "I don't think we'll even get a defense bill this year."

Sen. Reid said that it's unlikely Congress will pass any fiscal 2009 spending bills this year and that, instead, Congress will approve a continuing resolution to fund the government at current levels until a new administration takes over.

Continuing resolutions are cumbersome for executive agencies. Agencies can only spend at the same rate as the previous year and can not start any new projects even if they have been authorized. Continuing resolutions "keep the lights on" but nothing more.

Who do the Democrats blame? The Republicans, of course. And the Democrats? Why, it's the GOP's fault.

House Appropriations Committee Chairman David Obey, D-Wis., and House Majority Leader Steny Hoyer, D-Md., have criticized attempts by Republicans in the full committee markup of the Labor-HHS-Education appropriations bill to bring up the Interior bill by offering it as a substitute amendment. Republicans wanted to spotlight rising energy prices by considering the Interior bill and amendments to expand oil drilling.

Rep. Obey said that he will not hold any additional committee markups unless Republicans agree to follow what he called regular order — and, presumably, stop trying to bring up the Interior bill when another bill has been scheduled for markup.

Republicans contend, however, that simply offering an amendment is not a deviation from regular order and charge that Democrats have been avoiding consideration of the Interior bill because of an amendment by Rep. John E. Peterson, R-Pa., to remove a moratorium on drilling between 50 miles and 200 miles off the Pacific and Atlantic coasts and the eastern Gulf of Mexico.

"We are more than willing to work with the majority to complete the work of the Appropriations Committee," Rep. Jerry Lewis, R-Calif., said. "It is critically important that we continue our work, including completing the Interior bill, especially in this time of \$4.11 gas." Rep. Lewis is the top Republican on the Appropriations Committee.

Rep. Hoyer acknowledged that Democrats might not have the votes to defeat the amendment. But he added that the Republicans were obstructing other bills that Democrats were trying to enact to address the energy crisis.

In the meantime, defense spending could end up in the temporary spending measure, an option Defense Secretary Robert Gates said could be "disastrous".

## Veterans Disability Claims Backlog Topic at Hearing

The Senate Veterans' Affairs Committee held an oversight hearing last week on the undue delay of veteran's disability claims processing. This was the fourth in a series of hearings held this year to review veterans' disability benefits.

At the hearing, Committee Chairman Sen. Daniel Akaka, D-Hawaii sought input from the VA and other witnesses on what improvements should be made to complement the historic increase in staffing at the Veterans Benefits Administration (VBA) made by Congress during the last several years.

"I know there is no silver bullet that will solve the claims processing problems that exist at VBA, but we owe it to veterans to make certain that everything that can be done is being done to improve the

situation, said Sen. Akaka.

He added, "The number of veterans filing disability claims is increasing. As more war wounded return from Iraq and Afghanistan, and veterans who have conditions made worse by their advancing age turn to VA for increased ratings, we can anticipate that the number of claims received by VA will continue to increase. VA should make necessary technological, process and staffing improvements to expedite overall efficiency."

In his testimony, VA Acting Under Secretary for Benefits Patrick Dunne highlighted the fact that VA has reduced the backlog of disability claims to 390,000, and reduced average processing times from 183 days to 182. Dunne also reported that VA is processing more claims that they are receiving, despite a 5 percent increase in new claims since last year.

The Committee's ranking Republican Sen. Richard Burr, R-N.C., said the current 390,000-claim backlog is the highest in ten years. He expressed concern that there's been little progress in reducing it despite significant increases in the VA budget and staffing in recent years.

Sen. Burr was adamant that a fix be found. "Throwing more money and more personnel is clearly not helping," he said. "The VA's explanation for this enormous backlog is basically the same as it was ten years ago."

Sen. Akaka added, "While I appreciate that the average processing time is decreasing rather than increasing, 182 days is still a far cry from VA's goal of 125 days. VA must work harder to reach their strategic goal."