

SECRETARIAT RESPONSE TO THE 2022 NAVY AND MARINE CORPS RETIREE COUNCIL REPORT

1. Issue 2022-01: Defense Health Agency (DHA) Transition – Impact on Retirees and Access to Care

a. Board's Issue Description: DHA's most recent plan is to terminate or move 155,000 Military Health System (MHS) patients to civilian care. This plan will begin in Fiscal Year (FY) 23 and continue through FY26, as referenced in a report sent to Congress on 1 July 2022 by the Under Secretary of Defense for Personnel and Readiness (USD(P&R)). Currently, access to care is limited in many civilian areas and will become more limited or not accessible with the increase in transitioning military care to civilian providers. There is concern TRICARE and TRICARE for Life plans have inadequate networks. As a result, DHA's current lack of transparency to inform or plan (with MTFs, providers, and patients) will adversely affect access to care and patient-focused quality of care for military active duty, families and retirees.

b. Board's Proposed Solutions / Recommendations / Actions: The Council recommends the Secretary of the Navy advocate to the Office of the Secretary of Defense (OSD) that DHA provide timely information through military agencies regarding retirement community access to care for all aspects of TRICARE. Additionally, the Council recommends SECNAV request DHA to work with TRICARE to identify underserved areas and provide or establish a workable plan to build networks so eligible members have adequate coverage.

c. Secretariat Response: Thank you for bringing this issue to my attention. It is a critical issue we spend much time on in the office of the Assistant Secretary of the Navy for Manpower & Reserve Affairs (ASN(M&RA)). The MHS is undergoing its most significant change in decades. Management of the military medical treatment facilities, TRICARE benefits, and access to care standards is the responsibility of the Defense Health Agency (DHA). I recommend that the Council continue to work with my staff to determine the best way to express needs of the retiree community to the DHA through process or policy changes. My staff continuously works with DHA, the Bureau of Medicine and Surgery (BUMED), the offices of the USD(P&R) and Assistant Secretary of Defense for Health Affairs (ASD(HA)), to manage the ongoing transition to DHA, and to address many of the trade-offs that have had to occur because of funding challenges and consolidation.

2. Issue 2022-02: Sailor for Life Program

a. Board's Issue Description: Navy retirees are a largely untapped resource to promote a favorable Navy image, and support the Navy's recruiting mission. By adopting a "cradle to grave" approach through a Sailor for Life program, to include ongoing communication, the Navy can better leverage this invaluable resource. Additionally, Navy retirees are generally unaware of updates on pay and healthcare benefits or finding employment, educational, wellness, or other important resources. This becomes more significant with each passing year post-retirement. The Navy has an unfulfilled opportunity to provide retirees with lifelong guidance on matters crucial to their quality of life.

A Sailor for Life program will align the Navy with the Military Life Cycle (MLC) model and will bring the Navy on par with the Army, Marine Corps and Coast Guard's "For Life" programs. A Sailor for Life program will build esprit de corps, and include a network connecting transitioning Sailors and their family members to education resources, employment opportunities, and other veterans' services which will aid in their career and life goals outside of military service.

b. Board's Proposed Solutions / Recommendations / Actions: The Council recommends the following actions to SECNAV:

- 1) Establish a Sailor for Life program.
- 2) Request the Chief of Naval Personnel (CNP) and the Master Chief Petty Officer of the Navy (MCPON) to develop a "Chief's Mess working group" consisting of Active Duty (AD), Reserve Component (RC), and retired Chiefs/Senior Chiefs/ Master Chiefs to investigate the benefits of a "for life" program.
- 3) CNP initiate activity to better understand the content of, and resources needed by, the other services' "for life" programs already in place, and identify the resources required to make Sailor for Life a reality.
- 4) Explore and expand all opportunities for communication throughout the Navy including retirees. Establish a means of continuing lifelong electronic connection with the Navy, and ongoing access to electronic HR, educational, etc. resources.
- 5) Commander, Navy Recruiting Command (CNRC) create branding for Sailor for Life as a "cradle to grave" program.
- 6) Ensure the transition training includes a module on retirement specific topics.

c. Secretariat Response: Thank you for bringing this idea to my attention. I appreciate the Council's interest in identifying innovative ways to keep retirees engaged as a means of helping our recruiting challenges. Outreach and engagement programs like the one proposed increase connectedness. I would ask that this be a focus of your upcoming 2023 Council meeting so that we can further mature this proposal and create a path to successful development and implementation.

3. Issue 2022-03: Suicide Prevention for Military Retirees

a. Board's Issue Description: Suicide is a public health challenge causing immeasurable pain among individuals, families, and communities across the country. Suicide is also preventable. Veteran suicide is an urgent issue that Congress, the U.S. Department of Veterans Affairs (VA), along with its stakeholders, partners, and communities nationwide are addressing.

The VA is a leader in the development and implementation of innovative suicide prevention approaches and resources. Ongoing collection, analysis, and dissemination of suicide-related

data is crucial for understanding veteran suicide and informing suicide prevention initiatives. The retiree population is missing from the data. Approximately 65 percent of all veterans who died by suicide were age 50 or older. This is an extremely important reason for collecting data on retirees. Additionally, while not all veterans are retirees – All retirees are veterans. Categorizing retirees, as a specific group, within DoD/VA suicide studies is vital to identifying and addressing the phenomenon for the health and care of retirees.

The VA currently examines suicide rates for non-veteran adults, veterans, veterans who use Veterans Health Administration (VHA) services, VHA patients with a mental health or substance use disorder and among Guard and Reserve members. Collecting data on military retiree suicide would assist the DoD/VA to tailor and target prevention strategies matching a retired veteran's level of risk.

b. Board's Proposed Solutions / Recommendations / Actions:

1) Recommend SECNAV urge the Department of Defense (DoD) to initiate an agreement with the Defense Finance and Accounting Service (DFAS) to collect "manner of death," specifically suicide for regular and medical retirees, and share the information with the VA Office of Mental Health and Suicide Prevention to analyze retirees for health activities, including clinical care, public health, program evaluation, research and prevention strategies.

2) Recommend SECNAV urge DoD to extend the tasking of SPRIRIC for the study of suicide incidence, rates and causes to include retirees, and share the information with the VA Office of Mental Health and Suicide Prevention.

c. Secretariat Response: Suicide is heart-breaking and tragically impacts our families and communities. It is a top issue for ASN(M&RA) and has the highest interest of the Secretary of the Navy. We are committed to ensuring the health, safety, and well-being of all members within our military community, including all of our veterans and retirees. However, after discussing with Navy Medicine and Marine Corps Health Services, I do not think it will be appropriate for us to attempt to collect and analyze the manner of death of retirees via DFAS. Privacy laws prevent DFAS from sharing what information they do have. We are unable to ensure that we are adequately capturing data fully representative of the issue as we cannot be sure that all suicides are actually categorized as such on death certificates. That said, I have asked my staff to work with a Federally-funded Research and Development Corporation (FFRDC) to determine if any studies have been done to ascertain whether military retirees are more likely or not to die by suicide compared to our veteran population in general. While we work that angle with our FFRDC partners, I would ask the Council to refine this recommendation to help us better understand what is leading the Council to make a distinction between veterans and retirees on this issue. Are there data or anecdotes suggesting that military retirees are more likely than veterans to die by suicide?

4. Issue 2022-04: Navy Retirement Documentation Processing Delays via Navy Standard Integrated Personnel System (NSIPS)

a. Board's Issue Description: With the implementation of NSIPS, Sailors have experienced inordinate delays to the start of their retired pay and numerous issues with their access to TRICARE. The transition has also affected active-duty Sailors' pay, identification (ID) cards, and TRICARE benefits. DFAS has reported delays in receiving DD Form 2656 from future retirees, which is required to establish a retiree's pay account with DFAS. The Council identifies two root causes:

1) USN members are not sufficiently trained on NSIPS, which leads to the submission of incorrect or incomplete data – typically delaying submission of retirement documents causing a cascading effect of additional delays.

2) Personnel Support Detachment (PSD) manning levels have been greatly reduced at many bases, resulting in a lack of personal assistance from the supporting PSD, and thus causing inordinate delays in processing an individuals' retirement package, including receipt of retirement pay, disability entitlements, and a DD-214.

b. Board's Proposed Solutions / Recommendations / Actions:

1) The NSIPS application requires a more assertive educational outreach since this self-service web portal is intended to be a critical pathway for administrative support. At a minimum, it should be part of the Transition Assistance Program (TAPS) with all attendees being briefed on the importance of this application as it applies to their retirement. But it is also recommended that Navy Personnel Command (NPC) institute a more effective and mandatory training program on the use and maintenance of NSIPS, whether it be in a classroom or via virtual training.

2) Additionally, command PSDs should be brought back to staffing levels which existed before 2018. If this effort proves unlikely or unsupportable, then training for PSD staff emphasizing timely support in critical areas – such as pay and separations – is required.

c. Secretariat Response: Thank you for highlighting this issue that is also “front and center” on our radar in ASN(M&RA). The delays due to NSIPS are known to the Navy. The Navy is working to modernize relevant systems and improve the customer experience through the adoption of the Navy Pay and Personnel system (NP2). My staff is regularly engaged with NPC to understand their ability to adequately meet the demand for pay and personnel support services and what plans are in place to remediate shortfalls. NPC is taking steps to actively address these issues with the resources they have available, to include development and implementation of a more robust qualification process, with ongoing monthly training, that enables unit Command Pay and Personnel Administrators (CPPA) to create, manage, and process their own transactions. Additionally, a CPPA Pro Cell, a team of subject matter experts in all facets of Active and Reserve Sailor pay transactions, including retirement transitions, has been established to assist Fleet CPPAs by phone, e-mail, or chat. We continue to oversee Navy's progress in this area and will keep the Council informed.

5. Issue 2022-05: Concurrent Receipt for Retirees with a Disability Rating of Less than 50%

a. Board's Issue Description: Retirees with a service-connected disability rating less than 50% should be eligible for receipt of both Veterans Affairs disability benefits and DoD retirement benefits concurrently, without offsetting either benefit. Currently, retirees with a disability rating of less than 50%, forfeit retirement pay dollar-for-dollar to offset the amount received as VA disability compensation. Concurrent Receipt of Disability Pay (CRDP) is provided only for those retirees who have a VA disability rating of 50% or greater. However, there are some 210,000 retirees with a disability rating of less than 50%. Military retired pay is an earned benefit based on vested years of service; service-connected disability compensation addresses an illness or injury.

b. Board's Proposed Solutions / Recommendations / Actions: Disability rating should not affect retirement compensation. A phased approach may be a viable solution to spread costs over time. For example, concurrent receipt can be provided to the class of those with a disability rating of <50 to 40% one year, then <40-30%, then <30-20%, and so on and so forth in subsequent years.

c. Secretariat Response: As a retiree myself, I can appreciate the frustration this issue brings—that a disability rating and its associated compensation is recognition for the unusual (in comparison to civilians) wear and tear on the bodies of veterans. I also recognize that retired pay is deferred compensation for the volunteer opportunity cost of a full career in the military. However, as the Council knows, it is important that we as taxpayers recognize there are limits to how far our tax dollars can go and offsets must be made. The Marine Corps alone has more than 16,000 retired personnel that fall into this (<50% disabled) category, amounting to an approximate anticipated cost to DoD of more than \$30B over 10 years. Any increase in retiree pay is potentially less compensation that we are able to offer to recruits or bonuses and other retention initiatives that we are able to offer current service members. We continue to monitor this issue as we know it is a matter of great concern among retirees and in Congress.

6. Issue 2022-06: Navy Retired Activities Offices Lack Equipment and Resources

a. Board's Issue Description: The Navy Retired Activities Offices (RAOs) lack the appropriate funding and logistics support to accomplish their mission in the most efficient and effective way. OPNAVINST 1720.3G directs Commander, Navy Installations Command (CNIC) to support RAOs, which are established by installation commanding officers (COs), to ensure all facets of the SECNAV Retiree Program are appropriately funded to meet the needs of military retirees and their families. Many RAOs are currently operating with outdated or no government equipment (computer, printers, phones, scanners, fax and Navy and Marine Corps Intranet (NMCI) access to networks).

b. Board's Proposed Solutions / Recommendations / Actions: CNIC ensure host commanders issue RAOs updated office equipment, NMCI computers, NMCI access, and programs for their offices. CNIC ensure adequate funding to support offices at each location.

c. Secretariat Response: Per OPNAVINST 1720.3G, installation COs are to “provide appropriated fund support to meet operational requirements so that, as a minimum, each RAO will be equipped with desk, chair, and phone for volunteers plus appropriate seating for visitors.

Computer services, network connectivity, modem, and printer will also be installed. Appropriate funds should be used to fund the foregoing as well as office supplies, printing, and postal support.” My team will request data from CNIC concerning RAO Program funding and logistics. We will request a corrective plan to address any identified deficiencies and will share what we learn with the Council.

7. Issue 2022-07: Policy Requirement for Gray Area Retiree Transition Education

a. Board’s Issue Description: Navy and Marine Corps RC retirees (i.e., gray area retirees) continue to experience significant delays in starting their retired pay. They are not receiving benefits to which they’re entitled. This is due to a lack of education aggravated by communication challenges with the Gray Area Retirees. Currently, no DON policy exists to provide such education to this population. In the absence of such a policy, current efforts to educate this population are not standardized or sustainable.

The SECNAV’s Strategic Guidance emphasizes empowerment of people; specifically, cultivation of talent and teamwork. It emphasizes recruiting, retaining, and promoting the best America has to offer. Retirees can provide meaningful contributions to the Department in the face of recruitment and retention concerns. However, when retirees fail to receive their entitled pay and benefits in a timely manner, impacts to their motivation and ability to make such contributions are to be expected. Unless resolved, these issues will continue to plague our RC retirees and their families.

b. Board’s Proposed Solutions / Recommendations / Actions: The Council proposes the following solutions:

1) SECNAV direct Services to issue policies requiring retirement education/outreach for all Navy and Marine Corps Gray Area Retirees and spouses.

2) SECNAV direct the Services to maintain communications periodically with Gray Area retirees. This outreach will help ensure required updates on personal information and life changing events are communicated with no loss of benefits to our Gray Area Retirees and their families.

c. Secretariat Response: Thank you for bringing this topic to my attention. I am aware that the Gray Area Retiree is a topic of concern shared with the National Navy Reserve Policy Board. I recommend that the Council collaborate and share data. My Reserve Matters (RM) team can assist with the liaison efforts. Additionally, DFAS has created a new myPay account type specifically for Gray Area Retirees. This new account allows for the member to provide contact information to “stay connected and informed between the time they stop drilling and the time they start receiving retired pay.” We are tracking the relevant website address is: <https://www.dfas.mil/RetiredMilitary/plan/Gray-Area-Retirees/Navy-Gray-Area-Retirees/>.

8. Issue 2022-08: Support for Military Identification Cards and Appointments

a. Board's Issue Description: The ability to obtain military ID cards is an issue for USN and USMC active and reservist, retirees, and eligible family members. The following issues have been noted:

1) The pandemic exposed weaknesses and deficiencies in the system, resulting in difficulties for retirees and eligible family members to obtain needed identification in a timely manner;

2) The ID office locator (<https://idco.dmdc.osd.mil/idco/>) is a great tool, but, is not user friendly for the retired community;

3) A lack of near-term appointment availability has created issues to obtain IDs in a timely manner;

4) Misinformation about retirees' eligibility for the Next Generation Uniformed Services ID card appears to have created an overwhelming demand for updated ID cards.

b. Board's Proposed Solutions / Recommendations / Actions:

1) SECNAV ensure ID card personnel on Navy and Marine Corps installations are trained, staffed, and equipped to meet requirements, per DOD Instruction 1000.13.

2) SECNAV direct the Navy's and Marine Corps' Special Project Office (SPO) to ensure all Navy and Marine Corps ID card offices fully comply with established procedures.

3) SECNAV recommend DoD increase ID card offices to meet demand for services in remote locations, including overseas.

4) Provide and widely promote awareness of a toll-free ID card site/RAPIDS locator and appointment scheduler phone number as an alternative to the online appointment scheduler.

5) Utilize "Shift Colors" and "Semper Fidelis" newsletters for Navy and Marine retirees and annuitants to provide awareness of the ID card site/RAPIDS website and phone option for ID card scheduling.

c. Secretariat Response: I appreciate the frustration over long lines, inconvenience, and non-compliance issues. I ask the Council to help us assemble some data to understand the extent of the issue beyond these important anecdotes. I encourage the Navy and Marine Corps to use "Shift Colors" and "Semper Fidelis" as a means to communicate ID card site/RAPIDS website information. I recommend the Council work with my RM staff to create a tasker for the Defense Manpower Data Center (DMDC) to inquire into the feasibility of having a manned phone line to assist with scheduling ID card appointments. The Council can assist in this effort by polling its constituency to determine the level of demand. Finally, retirees are recommended to contact their RAPIDS installation manager and RAOs to report inadequate support. RAOs should provide this data and make recommendations to the responsible Echelon 1 and 2 entities.

9. Issue 2022-09: Equity in Benefits for Reservists Eligible to Retire Before Age 60

a. Board's Issue Description: The fiscal year (FY) 2008 National Defense Authorization Act (NDAA) authorized the eligibility age for military reserve retired pay to be reduced below 60 years of age by three months for each aggregate of 90 days served on active duty during a fiscal year after 28 January 2008. However, the legislation did not extend early eligibility to TRICARE benefits. U.S. military reservists eligible for retirement pay before their 60th birthday due to qualifying activation service from 2008 and after are ineligible for retirement TRICARE benefits before their 60th birthday.

Furthermore, not all periods of 90 consecutive days count toward early retirement benefits. Because of the legislation's wording, 90-day mobilization periods overlapping fiscal years do not count toward early reserve retirement pay between FY2008 to FY2014. While follow on legislation removed the "during a fiscal year" clause, it was not retroactive for service during FY2008 through FY2014.

b. Board's Proposed Solutions / Recommendations / Actions: The Council proposes the following solutions.

1) SECNAV collaborate with other Service Secretaries and advocate to DoD and Congress to take action to extend TRICARE eligibility to reservists who begin drawing pay and other military retirement benefits before their 60th birthday.

2) SECNAV collaborate with other Service Secretaries and advocate to DoD and Congress to correct this longstanding oversight which inadvertently denies thousands of dollars of benefits to retired reservists simply because their 90-day mobilization period(s) spanned two fiscal years between 2008 and 2014.

c. Secretariat Response: I recognize the inequity "reduced age retirement" seems to create by offering certain members of the reserve retired pay prior to age 60. My understanding is that this incentive was created by Congress to enhance the benefit of frequent deployments throughout the wars in Afghanistan and Iraq, and to recognize the increasing sacrifice reservists make in today's force. That said, the expansion of one benefit does not necessarily precipitate all benefits. I would be disingenuous if I told the Board that this proposal was feasible in the near future. TRICARE and the MHS are facing significant challenges over the coming years that will necessitate further refinements of manpower requirements, staffing, risk assessment, and healthcare delivery. We are laser focused on preserving the MHS' ability to deliver a medically ready force (i.e., our Sailors and Marines) and a ready medical force (i.e., our doctors, nurses, corpsmen, etc.) while serving all of the system's beneficiaries. Further, my understanding is that Congress cannot retroactively grant reduced age retirement for those 90-day periods that crossed fiscal years prior to 2014 because of their own rules on mandatory spending. Military retired pay is mandatory spending and, thus, is subject to the "pay-go" rules Congress has in place. This is why the correction of that inequity was only made prospectively in 2014 and could not be corrected retroactively.

10. Issue 2022-10: Full Funeral Honors for all Retirees

a. Board's Issue Description: Due to lack of funding and manpower, not all deceased Navy retirees receive full funeral honors. Per NAVPERS-15555D Navy Military Funerals states, "Members who die while on active duty shall be provided a detail consisting of the following: 6 body bearers, a 7-person firing detail, an Officer-in-Charge (OIC) or a Petty Officer-in-Charge (POIC) and a bugler." NAVPERS-15555D also states, "For members of the Naval Fleet Reserve or Retired members (with or without pay), a detail of the same composition as that provided for active-duty members should be provided." However, "The minimum participation by the Navy will be that of two Navy representatives who will attend the funeral, fold and present the flag to the next of kin, and play TAPS or a quality recording of TAPS if a live bugler is not available."

The individual Navy regions determine the funeral and burial procedures based on their funding and manpower. Some regions have long provided just the bare minimum to veterans and retirees alike. Per the NAVPERS-15555D, ensure retired members (with or without pay) receive the same funeral honors composition as that provided for active-duty members. We owe this final honor to our retirees and this support to their family members in recognition of our retirees' 20-plus years of faithful service to our country.

b. Board's Proposed Solutions / Recommendations / Actions: The Council proposes the following solutions:

1) Guiding instructions need to be revised to specifically state eligible Navy and Marine Corps retirees will receive full honors to include rifle volleys provided by a military service or working with other available agencies.

2) Request a working group be assigned to research which areas lack resources to perform rifle honors for eligible retirees and AD. The results of this working group should inform the fair and equitable allocation of resources to ensure all retirees, where feasible, receive the appropriate rifle honors.

3) Request the Navy and Marine Corps work with the other services to allocate funding to ensure rifle honors are provided to all retirees to include remote locations where Navy and Marine Corps presence is limited.

4) Allocate funding to veteran service organizations for rifle volleys to provide rifle honors to retirees when there is a lack of military service members present to provide this service.

5) Submit allocation for funding to ensure this well-deserved honor is granted to our retirees in the future.

6) Allow retirees to augment funeral honor details in a primary support position vice secondary support to help with manpower shortages.

c. Secretariat Response: Providing proper honors to our departed shipmates is the last action the Nation can provide to recognize the service and sacrifices of our Sailors and Marines and their families. Due to manpower, recruitment and retention issues, along with the consolidation

of Reserve Centers, it was jointly decided by the Services in 2016 to restrict cross-service rifle details to deceased AD only. Leveraging the retired community could alleviate the pressure on the active and reserve components to fill Funeral Honors details, however it will require a change in Title 10 in order to authorize and compensate retirees for their additional service. CNIC has already identified a need to review the cross-service support for rifle details. We will await their findings and when they become available, we will share the results with the Council. Additionally, I recommend the Council, review Title 10 and consider drafting a legislative proposal that addresses the Title 10 limitations on retiree participation.