

ODCSPER RETIREMENT SERVICES OFFICE: ARMY ECHOES
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Retiree Council chairmen meet with DOD

The chairmen of the service retiree councils brought retiree concerns to Undersecretary of Defense for Personnel and Readiness Mr. Rudy DeLeon in a special meeting in July 1998. While the chairmen of each service council are in regular contact with their individual service chiefs, the council chairs joined in their first DoD meeting only two years ago. Principal Deputy Assistant Secretary of Defense for Force Management Policy Frank Rush also attended.

Retired LTG Ellis D. Parker, co-chairman of the Chief of Staff Army Retiree Council served as group spokesman, telling the Undersecretary about the 4 million members of the retired community the councils represent, the way the service retiree councils gather input on retiree issues and concerns from installation retiree councils and the role the retiree councils and retirees play in military recruiting and retention efforts. The council chairs then discussed major retiree issues, focusing on medical concerns. Mr. DeLeon told the council chairs what DoD is doing to address some of the problems.

Another meeting is scheduled for August with DeLeon, the service retiree council chairmen; Dr. Sue Bailey, the new Assistant Secretary of Defense for Health Affairs; and the Surgeons General from the Services in the near future. Specific details of that meeting will be provided in a future issue of *Echoes*.

New DoD health chief commits to care for all

WASHINGTON (AFPS)— Quality medical care for all beneficiaries and healthier lifestyles that prevent illness and injury top the list of concerns of DoD's new health leader.

"We've got a commitment to the quality of the health care that is provided to the 8 million people who depend on us," Dr. Sue Bailey said. "Our service members need to be ready and fit to defend the nation, and they need to know that their families at home are taken care of while they're gone. And we have a huge and growing population of retirees who are looking for — and deserve — quality health care from us."

Bailey, who became Assistant Secretary of Defense for Health Affairs in May, said the military health system is at a crossroads that gives leaders a chance to "look at where we've been and where we're going."

"Today, we are committed to providing top quality health care to all service members, as well as their families and all those who have served and retired from military careers," Bailey said.

One way of improving patients' health care access is to reduce the demands placed on the medical system, the assistant secretary said. Bailey is especially keen on improving the overall health of service members and their families.

She cited two new DoD programs, "Put Prevention into Practice" and a patient survey called Health Enrollment Assessment Review, as ways DoD is striving to create a healthier population.

Both measures are geared toward identifying and reducing alcohol abuse, smoking and accidental injury, and promoting physical fitness and will be available to all military beneficiaries.

"For too long in medicine, physicians have been perceived as the [people] to turn to in the event of a health care crisis," she said. "In fact, if you can prevent these sicknesses, essentially you are your own cure. I would urge that kind of preventive thinking throughout the system. There are things people can do to prevent themselves from becoming sick."

But physicians, too, need a new outlook, Bailey said. "They need to focus on preventive health — not just write prescriptions for antibiotics or do therapeutic interventions, but sit down with their patients and discuss the kinds of things they can do to prevent sickness and disease."

"I am very interested in knowing how the policies that we create and refine here are implemented," she said. "I also need to see and hear what's going on, what the issues are, so it's very important for me to go out and talk to the people who receive the care and the people who provide the care."

For example, a recent trip to Naval Air Station Jacksonville, FL, gave her reason to hope DoD can improve retiree care.

"I was very impressed that the hospital there doesn't turn away anyone, including retirees over 65," she said.

"If they're doing it, it can be done," Bailey said. "Is there some- thing unique about the Jacksonville experience? Is it something we're going to be able to do elsewhere, given the growing numbers of older beneficiaries in DoD who require more services than our younger population? It's an issue that I will focus on." That includes keeping close contact with Jacksonville, she said.

Highlights from headquarters

Thanks to the persistent efforts of the service retiree council chairmen and the Military Associations, we're finally seeing some progress in medical care for retirees. Five years ago few would admit to a medical commitment being made to servicemembers when they were recruited. Now Congressional and administrative leadership is acknowledging that commitments were made and are addressing ways to follow up on those promises. Some of our medical articles in this issue talk to what's happening in those areas. We know progress is slow and if you need medical treatment, you need and want it now, but unfortunately most actions in these areas require Congressional legislation and that takes time. Until those legislative changes can be tested and affected, our military medical people will

continue to provide all the support they can. They're doing an exceptional job in spite of the severely reduced manpower and resource restrictions they are forced to work under.

I want to remind our active duty, retirement-eligible soldiers that they don't need to be retired to utilize the Army Retirement Services Program. Contact your closest Retirement Services Officer (RSO) (see page 9) for advice on how you can best prepare for retirement. It's never too early to start your retirement planning. Most soldiers will spend many more years as retired soldiers than they spent on active duty. Doesn't it make sense to properly plan for it?

Many significant military anniversaries are being recognized and celebrated throughout our country and the world. To mention a few: the 45th anniversary of the Korean Armistice; the 50th anniversary of the legislation desegregating the Armed Forces; and the 50th anniversary of the

Berlin Airlift. These were all monumental events in the history of our nation. They had a major impact on the course of history and the direction of our nation and freedom of the world. Only those that lived through and experienced the hardship, suffering and elation associated with those events can truly understand the impact they had on the world and world events. The rest of us can only add our thanks to those men and women who went before and laid the solid foundation for our country and America's Army. It's a privilege for us to serve you. Thanks for your support.

Gary F. Smith

Chief, Army Retirement

Services

Something to keep in mind during the Survivor Benefit Plan disenrollment period --

Q — What happens to my retired pay when I die if I don't have SBP?

A — It stops.

Should you disenroll? Consider SBP's value

Military retirees can disenroll from the Survivor Benefit Plan (SBP) between the 25th and 36th month after the start of retired pay as a result of a provision of a law passed by Congress, effective May 17, 1998. Those whose retired pay started before May 16, 1996 have a one-time, one-year disenrollment period from May 17, 1998 to May 16, 1999. **The retiree cannot disenroll unless the spouse or former spouse (who- ever is covered by SBP) signs the disenrollment form in front of an SBP Counselor or Notary Public.** Retirees disenrolling from SBP **will not** receive a refund of costs. Retirees and spouses considering disenrollment should get in-depth SBP counseling from a Retirement Services Officer (RSO). See the RSO listing on page 9.

In analyzing what role SBP plays in your family's future financial plan, consider what you can expect to pay in premiums and what you can expect your surviving spouse to receive in benefits, remembering that you may live for many years after retirement and your spouse may live for many years after your death. Factors such as inflation, cost-of-living adjustments (COLAs), interest rates and mortality cannot be over- looked. Therefore, determining SBP's true value requires you to make some assumptions about what the future holds in light of the amount of risk your family can tolerate.

Inflation. No one really knows how high inflation will be in the future. We know that in the 1970s, the annual inflation rate hit double digits. Since 1990, it has been less than 3 percent a year. Despite these swings, most experts view 4 percent annual inflation as a reasonable long-term assumption. SBP is inflation-protected through annual cost-of-living adjustments, while many private products require you to purchase more coverage at higher cost to keep pace with inflation.

COLAs. Annual retired pay COLAs have been wide ranging: 1970s, 2.4 - 7.3 percent; 1980s, 1.3 - 8.7 percent; 1990s, 2.1 - 5.4 percent. While both retired pay and SBP annuities receive the same annual COLA, other retirement or survivor plans don't always receive a COLA. This is especially true of private products where if a COLA is offered, it is done so as an *option*, and then at extra cost.

Interest Rates. Interest rates are constantly changing. With safe, minimum-risk investments, long-term interest rates may average about 2 percent above the inflation rate. Private sector investments may be better yielding but are riskier, with annual yield of returns expected to be 3.5 percent or more above inflation. If inflation is expected to be about 4 percent per year, then a likely average long-term interest rate is about 6 to 7.5 percent.

Mortality. Mortality directly affects how much SBP will cost over a lifetime and how much benefit your spouse will receive over a lifetime. Mortality rates simply reflect the probability of when you will die, when your survivor will die, and the time period between those two. Current mortality tables show that females are expected to outlive male retirees by 6-7 years. In that time, the SBP benefit paid will typically exceed all SBP premiums paid, even if the retiree had been retired 30 years or more at time of death. Female retirees should consider these same mortality rates in estimating SBP's value to them.

Most military retirees have spouses the same age or up to 3 years younger. If that's true for you, then there's about a two-thirds chance you'll die before your spouse and SBP benefits will be paid. If your spouse is more than three years younger than you, that chance is greater. If your spouse is as much as three years older, there's still at least a 50 percent chance you'll die first.

A key factor affecting the need for SBP is how long your spouse might live after you die. The magnitude of the financial loss of your dying without SBP is illustrated by the following statistics from the DoD Actuary which consider the number of years a spouse might live after a retiree's death. These figures are based on military experience and can be applied to 100 couples, each consisting of a retired male member age 45 (results for officer and enlisted personnel are similar) and a spouse age 42. Statistically speaking, 70 members will die before their wives, who as widows will live, on average, another 15 years. The 50 longest-living widows will survive 19 years on average, and the top 20 will survive an average of 29 years. A major strength of SBP is that it cannot be outlived, meaning it continues throughout a surviving spouse's **entire remaining life**. Note: SBP stops if a surviving spouse remarries before age 55, but resumes if that marriage ends by death or divorce.

After considering the above, only one question remains to be answered by you to know if disenrollment is for you: **Is the continuation of a portion of retired pay at your death through SBP important to sustaining your family's quality of life?**

USO needs your help to help servicemembers

Does the name "USO" bring back memories for you? Did you see Bob Hope in a USO show? Did you visit a USO Family and Community Center after one of the many moves you and your family made? Did you get help at a USO Airport Center when you were travelling?

The USO mission is to provide morale, welfare and recreation-type services to uniformed military personnel. It's chartered by the Congress as a non-profit charitable corporation and relies on the support of thousands of donors around the world. The USO receives no direct government funding, but is endorsed by the President and the Secretary of Defense. There are more than 120 USO Centers around the world.

Eighty-five cents of every dollar spent by the USO goes directly to programs and services to support service men and women and their families overseas. If you want to make a tax-deductible donation to the USO, you can make your check payable to the USO and mail it to: USO World Headquarters; Department AE; PO Box 96860; Washington, DC 20090-6860; or call 1-800-USOSHOW or visit the home page at <http://www.uso.org> or donate through the Combined Federal Campaign or the United Way.

The USO's most important resource is its volunteers. More than 12,000 members in the USO international corps of volunteers provide an estimated 450,000 hours of service annually, a world-wide contribution of over \$3 million. From welcoming home deployed troops at 0200 to relieving the loneliness of an individual service member, the volunteer contribution in delivering a "Touch of Home" is the USO's primary asset.

Unpaid volunteer to paid employee ratio overseas is more than 20 to 1. Within the United States, this number is significantly higher.

How do you volunteer for the USO?

Potential volunteers can contact their local USO centers for information. These should be listed in phone books, and addresses are available on the USO Web site, or by contacting the USO via email at info@uso.org.

New ID card?

Do retirees need to get the new bar-coded ID card by the end of this year? No. The Army DEERS/RAPIDS program manager reports that DoD has not yet cut off the old ID cards for retirees and that they have not set a date in the future when retirees will have to get the new ID cards. If and when DoD does set such a date, we will report it in *Echoes*. Family members replace their ID cards when they expire.

Reservists: submit retirement packets early

ST. LOUIS — The Army Reserve Personnel Command (AR-PERSCOM) has redesigned the way it processes reserve retired pay applications to eliminate delays that some retiring reservists are experiencing in receiving their pay. The command's objective is to ensure all retirees receive their initial retirement checks on the 30th day after they reach 60 (Operation 60/30).

In May 1998, AR-PERSCOM's Personnel Actions and Services Directorate (PASD) had about 2,280 applications on file from individuals over age 60 awaiting retired pay. A month later, that number was nearly cut in half under Operation 60/30, tripling production in previous months. As a result, the number of retirees over age 60 awaiting processing of their applications is expected to be eliminated by September.

Each step of the pay application process was mapped out including mailing packets, screening them for accuracy and making final pay certification.

Under Operation 60/30, instead of processing pay applications as they're received, PASD analysts complete cases based on the retiree's birth date. Also, any dispute over points or other inaccurate information in packets is handled by PASD's Regional Support Teams and Customer Contact Office. Analysts can focus on certifying complete and accurate applications. As a result, the pay process has moved forward.

Part of reorganizing includes planning for the future. The number of Reserve retirees reaching age 60 is expected to double by 2010. Operation 60/30 will help PASD take on this fast-growing number of retired pay applications. Plans include sending retired pay packets to individuals on their 58th birthday and modernizing the auto-mated system used to track and establish this pay.

Retirees can help by ensuring their applications for retired pay are complete, accurate and on time. Following this guidance will help the application move quickly through the retired pay certification process:

Complete your retirement packet and return it as soon as you receive it. Retirement packets (containing DD Form 108, Application for Retired Pay Benefit) are mailed within 90 days after your 59th birthday. If you don't receive one within 90 days of your 59th birthday, send a postcard or letter to Commander, AR-PERSCOM, ATTN: ARPC-PSP-T, 9700 Page Ave., St. Louis, MO 63132-5200, with your current address and request a retirement packet. This should ensure that you receive your first retirement check 30 days after your 60th birthday.

Don't wait until you reach age 60 to return your packet. Once your packet is certified at AR-PERSCOM, it's sent to the Defense Finance and Accounting Service's Cleveland Center for establishment of a pay account. This process takes 30 days.

Keep your address current. If you're a gray area retiree (have a 20-year letter but not yet age 60) and move, send a postcard or letter with your name, new address, and phone number to Commander, AR-PERSCOM, ATTN: PSP-T; 9700 Page Ave., St. Louis, MO 63132-5200.

Get your retirement points squared away as soon as you stop drilling or earning other participation points. Don't wait until you submit your retired pay application to correct your points as this adds to the pay certification processing time.

To correct points, you must submit substantiating documentation, such as copies of pay vouchers, and a written explanation of the required correction. AR-PERSCOM can assist in documenting only Army Reserve retirement points. Documentation for points earned from other branches of the military or the National Guard must be obtained from the service in which they were earned.

If your points statement (ARPC Form 249) is correct, sign it to verify it is accurate. Annotate your DD Form 108, blocks 13-17, with the notation "See attached ARPC Form 249-2-E" and return it to the address provided. All other blocks must be completed and the form must be signed and dated. Unsigned or undated applications will be returned without action.

Visit the website for AR-PERSCOM Personnel Actions and Services Directorate (PASD) at www.army.mil/usar/ar-perscom/pasd.htm. The site includes links to retired pay, points, 20-year letters and frequently asked questions. Down-loadable software is also available to estimate your retirement pay.

Call the AR-PERSCOM Retired Pay Section *only if you have an emergency.* Answering unnecessary calls only extends the time it takes to certify retirement packets. Call 1-800-318-5298 with questions about retired pay.

AR-PERSCOM continues to review its functions to find better ways of providing service.

DoD team recovers remains in N. Korea

WASHINGTON (AFPS) - The second team of DoD investigators to enter North Korea this year recovered three sets of remains believed to be those of American servicemen missing since the Korean War.

Following the team's 24-day search in North Korea, the remains were repatriated through the Demilitarized Zone at Panmunjom. They were flown to Hawaii for analysis at the Central Identification Laboratory.

This was to have been the third of five joint recovery missions to North Korea this year under a December 1997 agreement between the U.S. and North Korea, said Robert Jones, Deputy

Assistant Secretary of Defense for POW/Missing Personnel Affairs. The second team's entry was delayed about a month, however, because the North Koreans balked at repatriating the remains found during the first mission, he said.

The North Koreans also agreed to two archival research programs this year. This year's first recovery mission began April 21 in Kujang County, North Korea, with U.S. team members from the Hawaii lab and the Defense POW/Missing Personnel Office.

The Americans and their North Korean counterparts excavated a site where the Communist Chinese Army and U.S. 25th Infantry Division fought a fierce battle in November 1950. About 50 Americans had been killed or captured. After excavating for about 25 days, the team recovered two sets of remains believed to be those of U.S. servicemen. The North Koreans then delayed repatriation for about a week.

A U.S. archival research team led by the DoD's POW/Missing Personnel Office spent a week in late May in North Korea to research archives in two military museums in Pyongyang. Two team members remain to maintain communications between an excavation site and the U.S.

"Last year, in a similar visit, researchers brought back documents from the Fatherland Liberation Museum relating to American POWs held during the Korean War," Jones said. "These documents are still being analyzed and are turned over to family members if they pertain to a named serviceman."

About 8,100 Americans remain missing from the Korean War. Since joint U.S.-North Korea recovery operations began in 1996, 11 sets of remains have been recovered. So far, the remains of Army Cpl. Lawrence LeBoeuf, of Metairie, LA, have been identified and returned to his family for burial with military honors.

Retiring is a family affair

Like many of life's other adventures, retiring from the Army is a family affair. Since the family served as a unit on active duty and will serve as a unit in retirement, it is only logical that the family plan retirement together.

Contrary to popular belief, preretirement briefings and orientations are not solely for the soldier. Like new arrival briefings and orientations, they are designed with the family in mind.

Information on retirement processing, moving household goods, selecting a retirement location, obtaining new ID cards, finding civilian employment, making a Survivor Benefit Plan (SBP) decision, and benefits and entitlements such as retired pay, military and civilian health care, and VA benefits is too complex to be left to one person. In far too many situations, when only the soldier attends the preretirement briefings and orientations, the information received is not relayed to the spouse and the rest of the family. This lack of information can keep families from taking full advantage of the benefits and entitlements due them.

Earned benefits and entitlements are not limited to the soldier. Enduring the frequent moves and separations of military life for more than 20 years earns family members benefits and entitlements. In fact, some benefits stay with the spouse and family after the retiree has departed, either through death or divorce.

When families don't attend preretirement briefings and orientations, they go into retirement unprepared, not knowing what lies ahead. Likewise, the soldier enters retirement without the full support the family can provide.

While spouse attendance at installation preretirement briefings has increased, almost 80 percent of soldiers still do not bring their spouses or families.

Army Regulation 600-8-7 governs the Army Retirement Services program. It charges installation Retirement Services Officers with the responsibility of preretirement and SBP briefings. Army families must issue a charge to themselves to be full partners in the retirement process. The more the family knows about military retirement, the less traumatic the transition from military to civilian life and the more pleasant and successful the military retirement will be.

Exchange credit program's many benefits

DALLAS — Since it started in 1979, the Exchange Credit Program (better known as the Deferred Payment Plan or DPP), has changed from an extended layaway into a full service credit program. In fact, the Exchange Credit Program is the eighth largest private label, retail credit card program in the U.S.

In 1992, there were only 200,000 DPP customers. Today, there are more than one million. In 1992, only customers stationed in Europe and the Pacific could use DPP. Today, it can be used at most Army, Air Force and Marine Corps Exchanges worldwide.

In 1997, the Exchange Credit Program generated nearly \$600 million in sales with nearly \$20 million in dividends going to the Morale, Welfare and Recreation (MWR) Funds of the military services.

Many people today still think of DPP as an extended layaway program. This misconception deters many qualified customers from obtaining an Exchange Credit Card account.

Why does AAFES want to get customers excited about the credit card?

"The 'Exchange Credit Card' as it exists today is a good benefit to customers," said Harold Lavender, Exchange Credit Program chief. "Customers benefit because the Exchange Credit Card offers low competitive interest rates, charging an Annual Percentage Rate (APR) of prime + 4.75 percent. At today's rates, this is 13.25 percent annually. Even though many banks offer low introductory interest rates, these are normally for short periods of time and then they go to interest rates averaging about 16 percent. Major retailers charge their customers between 18 and 23 percent interest."

Another benefit to customers is better military quality of life - the Exchange Credit Card can be used at Army, Air Force and Marine Corps Exchanges worldwide. Also, the exchanges have made arrangements to ensure the service can be used in remote locations whenever possible. Profits generated by the Exchange Card are shared with the military community through contributions to the MWR Funds of the military services. These funds are used to build libraries, child care centers, gymnasiums, bowling alleys and recreational facilities for service members and their families around the world.

AAFES is a company store - this means the Exchange Credit Card is offered to authorized military exchange customers only, like a "members only" card. Since it's an extension of the benefits package offered to the military, using this card contributes to the future success of the exchange. Also, since the exchange is experienced with providing service to the military community, it takes steps to protect and support the financial stability of the military service member.

Using the Exchange Credit Card instead of a different credit card helps reduce store expenses. Whenever a major credit card transaction is processed in the store, a merchant fee, averaging about 1.6 percent of the sale is paid to the issuer of the bankcard. Also, all profits realized by the bank for the use of that card go to the owners and stock holders of that bank. In 1997, the exchange paid about \$22.5 million to banks. This comes directly from the stores' bottom line and is lost revenue for MWR Funds of the military service.

"We want customers to be informed and understand how this impacts AAFES and MWR. Our desire is to be our customers' first choice in credit," said Lavender.

Commissary offers more savings

FORT LEE, VA — Commissary shoppers will see bigger savings and more choices as stores expand the Super Saver program and test the popularity of "value brand" items.

"Super Savers" are promotions — similar to private grocery chains' weekly specials-- which commissaries sell at prices comparable to the lowest available anywhere.

Value brand lines will be introduced in large commissaries in the south- eastern U.S. and may expand if they prove popular, agency director Richard E. Beale, Jr., said. Value brands, the agency's answer to grocery-chain house brands, are cheaper than national brands. Stores for several years have carried value brands in categories such as bleach, detergent, soda pop and cereal, he said. New lines on the shelves will include peanut butter, canned pasta, olives, pasta sauce, salsa, juice, applesauce, canned beans, tea and dog food.

Commissary prices are cost plus a 5 percent surcharge that covers store construction, renovation, maintenance, supplies and other expenses. Beale said agency surveys consistently show shoppers save 25 percent to 30 percent annually on their purchases.

Enrollment begins for TRICARE-Medicare test

WASHINGTON (AFPS) — Military retirees over age 65 began enrolling July 15 in TRICARE Senior Prime at Madigan Army Medical Center, Fort Lewis, WA.

Madigan is the first site selected to demonstrate Senior Prime, also known as Medicare Subvention. The medical center begins offering its health care services under the plan Sept. 1.

The test runs through Dec. 31, 2000. Defense health officials hope it will show DoD medical facilities can provide cost-effective health care to Medicare-eligible military beneficiaries. If the test is successful, the program is expected to eventually become available to military retirees everywhere.

If you enroll in Senior Prime, you continue to receive Medicare benefits as well as TRICARE, but you pay only for Medicare Part B coverage — \$43.80 per month, with a \$100 annual deductible and some co-pays.

Enrollment will begin soon at the other demonstration sites: Keesler Air Force Base, MS; Brooke Army Medical Center, Wilford Hall Medical Center and Sheppard Air Force Base, all in Texas; Fort Sill, OK; Fort Carson and the U.S. Air Force Academy, both in Colorado; Naval Medical Center, San Diego; and Dover Air Force Base, DE.

Enrollment at all the test sites is first-come, first- served and limited to a portion of the total eligible population, officials said. For example, the Madigan Senior Prime test is open to 3,300 Medicare-eligible retirees — 18,000 live in the area.

Military retirees and their spouses can enroll for the test if they:

- Are age 65 or older.
- Are covered by Medicare Part A and Part B.
- Live in a ZIP code in the demonstration site's service
- Received care in a military medical facility before July 1, 1997, or became eligible for Medicare after July 1, 1997.
- Do not have end-stage kidney disease.
- Have not elected hospice coverage.
- Agree to get all covered health care services through their primary care manager, except for emergency and urgent care.

If you're under 65, enrolled in TRICARE Prime at a demonstration site and already have a primary care manager at your participating military medical facility, you can elect the Senior Prime option once you turn 65.

For details and enrollment assistance, contact the TRICARE Service Center or military medical facility health benefits adviser nearest you. More information is also available on the Internet at the TRICARE and Medicare Web sites, www.ha.osd.mil and www.medicare.gov.

Claims info for TRICARE Regions 1, 2, 5

(Note: These regions are operating even though their contracts are being protested.)

The new TRICARE contractor for Region 1 has announced its mailing addresses for claims and toll-free telephone numbers.

Region 1 includes the District of Columbia, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, certain Northern Virginia ZIP codes located near the Washington, D.C., area, and a few ZIP codes in the northeast part of West Virginia.

The region began health care delivery under Sierra Military Health Services, Inc., on June 1, 1998.

The mailing address for Region 1 claims is: Palmetto Government Benefits Administrators (PGBA)

P.O. Box 7011, Camden, SC 29020-7011. The toll-free telephone number for Region 1 claims is: 1-800-578-1294.

Ask your nearest military medical facility's health benefits adviser, or the contractor's nearest TRICARE service center, which northern Virginia and West Virginia ZIP codes are in Region 1. The parts of Virginia and West Virginia that aren't located in Region 1 are located in Regions 2 and 5, respectively.

The new contractor for Regions 2 and 5 has announced its mailing addresses for claims, correspondence and appeals and toll-free telephone numbers.

Region 2 includes North Carolina and most of Virginia, except for certain northern Virginia ZIP codes near Washington, D.C., that are in Region 1. Region 5 includes Illinois, Indiana, Michigan, Ohio, Wisconsin, Kentucky, a small part of Tennessee in the Fort Campbell area, a small part of Missouri in the St. Louis area, and most of West Virginia except for a few ZIP codes in the northeast part of the state that are in Region 1. The two regions began operations under Anthem Alliance for Health, Inc., on May 1, 1998.

Mailing addresses for Regions 2 and 5 are as follows:

Palmetto Government Benefits Administrators (PGBA)

TRICARE Regions 2/5 **Claims**, P.O. Box 7021, Camden, SC 29020-7021

TRICARE Regions 2/5 **Correspondence**, P.O. Box 1058, Portsmouth, VA 23705-1058

TRICARE Regions 2/5 **Appeals**, P.O. Box 202040, Florence, SC 29502-2040

Region 2 telephone numbers are:

1-800-493-1613 (**beneficiary claims inquiries**)

1-800-931-9501 (**TRICARE service center/participating providers/appointments**)

1-800-213-5453 (**health care information line**)

Region 5 telephone numbers are:

1-800-493-1613 (**beneficiary claims inquiries**)

1-800-941-4501 (**TRICARE service center/information/appointments**)

Medicare's managed care options

Turning age 65 for retirees and family members means a switch from military health care to Medicare. Installation and Army Chief of Staff Retiree Council members are concerned their fellow Medicare-eligible retirees don't know all the options available to them. Medicare offers you a choice of how you'll receive your medical benefits — through a fee for service system or a managed care plan.

Under the **fee for service** system, you choose any licensed physician and use the services of any hospital, health care provider or facility certified by Medicare. Medicare pays a share of your hospital, doctor and other health care expenses. You pay certain deductibles and coinsurance payments. You must also pay all permissible charges over Medicare's approved amounts as well as charges not covered by Medicare such as prescription drugs. Some of these out-of-pocket

costs can be avoided by purchasing "Medigap" insurance, private insurance to supplement Medicare.

Another option is enrolling in a **managed care plan**. Managed care plans have their own networks of medical facilities and doctors from which you would usually get your care. To be eligible for managed care, you must be enrolled in Medicare Part B and continue to pay the Part B monthly premium. *(Note: If you don't sign up for Medicare Part B when you're first eligible, there is a 10 percent penalty for each year enrollment is delayed.)* You must live in an area where a plan has a Medicare contract to provide services. You can't have elected care from a Medicare-certified hospice and you can't be medically determined to have end-stage renal disease at the time you're enrolling in the plan.

Managed care plans may charge a monthly fee which could be about \$50 to \$75. They also charge a small copayment for each appointment and drug prescription, typically ranging from \$5 to \$15. Usually there are no other charges by the plan no matter how many times you visit the doctor, are hospitalized or use other services.

If you're considering a managed care plan, you'll want to get information about the doctors and facilities on the plan, find out if their locations are convenient for you and find out if the plan will cover you if you travel a lot or spend part of the year in another state. See if the plan has a "risk" or "cost" contract with Medicare. With a risk contract, you usually receive all covered care through the plan. If you go outside the plan for care, you may have to pay the whole bill. With a cost contract, you pay only a co-payment if you get care within the plan. If you get care outside the plan, you pay the Medicare deductibles and other charges.

You can get the names of managed care plans in your area by calling your state health insurance counseling office or Medicare at 1-800-638-6833.

Information on Medicare is available through their website <http://www.medicare.gov>. If you have your own computer or access to one through the local library or through a friend or relative, take advantage of this website. If you want information on managed care programs in your area, the Medicare Compare database will give you a list of all the plans available to your ZIP code and run a cost comparison. The website also gives a state-by-state list of points of contact for questions about Medicare.

Medicare publications are available on the website or through the mail in print, audio cassette, Braille or videotape (Spanish versions are available in print or audio cassette.) To get information through the mail, call 1-800-638-6833.

New law restores DIC to some surviving spouses

WASHINGTON— The surviving spouses of deceased veterans who lost Department of Veterans Affairs (VA) survivor benefits when they remarried may be eligible for restored Dependency and Indemnity Compensation (DIC) benefits if they are no longer married.

Legislation signed by the President June 9 repealed a 1990 law that permanently terminated eligibility for DIC for a veteran's surviving spouse who remarried after the death of the veteran. The pre-1990 policy, which will be renewed effective October 1 (and will not be retroactive to before that date), allows benefits to be restored if the marriage is terminated. The basic monthly rate for DIC is currently \$850.

"We are mounting a concerted outreach campaign, by direct mail and through various public notification processes, to inform eligible spouses of this restored benefit," said VA Under Secretary for Benefits Joseph Thompson.

If you know of any surviving spouses who may be affected by this legislation, please share this article with them.

Veterans' spouses should contact their local VA Regional Office or call VA toll-free at (800) 827-1000 for assistance. Information on DIC benefits may also be found on VA's Internet Home Page at www.va.gov.

"Forgotten widows" update

In the Jan-Mar issue, we informed you of Nov. 1997 legislation approving payment of a \$165 monthly annuity to certain military surviving spouses. We asked for your assistance in spreading the word of this new entitlement. As a result of your efforts, as well as those of many military service organizations, to date approximately 500 Army surviving spouses have been certified as eligible for this annuity.

Criteria as directed by law is — a surviving spouse must have been married on date of death to a retired member who died: 1) before Mar. 21, 1974 (if a regular retiree); or 2) between Sep. 21, 1972 and Oct. 1, 1978 (if a reserve member who had completed 20 years of qualifying service and would have received retired pay at age 60). Disqualifiers: remarriage at any time; receipt of the Survivor Benefit Plan (SBP), Retired Serviceman's Family Protection Plan (RSFPP) or Minimum Income Widow (MIW) annuity.

New cemetery set for Cleveland

WASHINGTON— The VA has awarded an \$11.1 million contract to construct the first phase of a Cleveland-area national cemetery.

The 60-acre initial construction phase calls for 15,900 full-casket gravesites and 3,000 sites for cremated remains.

The 274-acre site is located in Guilford Township, 45 miles south of Cleveland. An initial burial area is expected to be available for interments in late 1999. Completion of the first phase is projected in 18 to 24 months with a dedication date to be determined.

Vets benefits increases

WASHINGTON — Veterans enrolled in the active duty or reserve component versions of the Montgomery GI Bill will see a 20 percent increase in monthly education payments beginning Oct. 1.

The benefit to full-time students will increase from \$439.85 monthly to \$528 for active duty enrollees with three years' service. Total payments for the 36-month maximum will increase from \$15,834 to \$19,008. The rate for enrollees with two years' service goes from \$357.38 monthly to \$429, or an increase from \$12,865.68 to \$15,444.

Vietnam-era GI Bill enrollees who converted to the Montgomery GI Bill Active Duty Program will see their monthly rates increase to \$716, or a maximum of \$25,776. Montgomery GI Bill-Selected Reserve trainees get an increase to \$251, or a maximum total of \$9,036.

Other veterans benefits improved under the law taking effect Oct. 1 include:

- A one-time allowance for disabled veterans needing modified controls or wheelchair lifts for an automobile increases to a maximum of \$8,000.

- A one-time specialty adapted housing grant for disabled veterans who have lost, or lose, the use of both lower extremities increased to \$43,000.
- The special housing adaptation grant for veterans who are blind, or have lost or lost the use of both hands increases to \$8,250.
- A \$50 monthly increase in pensions paid to low income veterans in need of regular aid and attendance.

DoD marks 50th anniversary of integration

WASHINGTON (AFPS)—President Truman signed two executive orders 50 years ago that have had monumental impacts on race relations. One, "Regulations Governing Fair Employment Practices Within the Federal Establishment," provided for nondiscrimination in the federal government. The other, "Establishing the President's Committee on Equality of Treatment and Opportunity in the Armed Forces," resulted in the desegregation of the military services.

DoD and military services held several events to commemorate the 50th anniversary of these orders:

- The DoD Worldwide Equal Opportunity Conference at the Birmingham-Jefferson Civic Center in Birmingham, AL., was held July 26-30 to coincide with Truman's signing date, July 26, 1948. The conference theme was "Building Cohesion from Our Growing Diversity — Challenges and Opportunities in the 21st Century."
- 50th Anniversary of the Integration of the Army celebration on July 24 at Constitution Hall.
- Commissioning of the aircraft carrier USS Harry S Truman on July 25.

Retiree Activity Days

Following are Retiree Activity Days (RADs) hosted by Retirement Services Officers (RSOs). RADs let you learn about benefits and get together with other retirees and families. For information on a RAD, call the RSO hosting it.

Sep 10-12 Ft Knox, KY

Sep 11 Ft McCoy, WI*

Sep 12 Redstone Arsenal, AL

Sep 12 Ft Dix, NJ

Sep 12 Carlisle Barracks, PA

Sep 17 Duluth, MN*

Sep 17-18 Ft Sill, OK

Sep 18 Ft Snelling, MN*

Sep 18-19 Ft Leonard Wood, MO

Sep 18-19 Ft Gordon, GA

Sep 19 Ft Belvoir, VA

Sep 25-26 Ft Hood, TX

Sep 25-26 Ft Bragg, NC

Sep 25-26 Ft Meade, MD

Sep 25-26 Ft Drum, NY

Sep 26 Ft Sam Houston, TX

Sep 26 Heidelberg, GE

Oct 2 Ft Myer, VA

Oct 3 Navy Base, Norfolk, VA

(757)322-9113

Oct 10 Ft Eustis, VA

Oct 10 Fresno, CA*

Oct 16-17 Ft Riley, KS

Oct 16-17 CE Kelly Spt Fac, PA

Oct 17 Ft Leavenworth, KS

Oct 17 Ft Eustis, VA

Oct 23 Presidio Monterey, CA*

Oct 23-24 Ft Benning, GA

Oct 24 Rock Island, IL*

Oct 24 Ft Monroe, VA

Oct 24 Ft Richardson, AK

Oct 30-31 Ft Rucker, AL

Oct 31 Ft Polk, LA

May 8, 1999 West Point, NY

**hosted by Ft McCoy*

Make your voice heard -- vote!

Have you gotten a lot of mail from your Congressional representatives lately?(or from those who'd like to represent you?) These people make sure you know how they feel -- make sure they know how you feel. Many representatives don't have military experience. So how do they learn about retiree issues? From you!

Keep your records current

Too often, we hear about survivors who have been denied Survivor Benefit Plan (SBP) benefits because the retiree failed to update retired pay records when the retiree married, divorced, remarried, was widowed or gained a child. We hear from spouses who did not receive the retired pay for the portion of the last month the retiree was alive because this money went to someone else whom the soldier had elected at retirement.

We hear from former spouses who lost SBP because neither they nor the retiree notified the Defense Finance and Accounting Service within a year of the divorce that SBP was part of the divorce.

To make sure your spouse (or former spouse) is prepared, keep a file of information that your spouse (or former spouse) will need when you die. Make sure your spouse (or former spouse) knows what benefits to expect or not to expect. Clip this article to the outside of your files as a reminder to keep your retired pay records current when your status changes.

Armed Forces

Retirement Homes

Special places

for special people

The Soldiers' and Airmen's Home in Washington, DC, and the Naval Home in Gulfport, MS, are retirement communities that meet every need of retired servicemembers and other eligible veterans. The Homes offer health care, room and board, activities and the camaraderie of other retirees and veterans. For information, call 1-800-422-9988 (the Soldiers' and Air-men's Home) or 1-800-332-3527 (the Naval Home) or visit their home page at <http://www.afrh.com>

N. Carolina court awards tax refunds to retirees

A recent North Carolina Supreme Court ruling could mean state income tax refunds to military retirees. The state has agreed that government retirees, including military retirees, who had five or more years of creditable service as of Aug. 12, 1989, are exempt from paying North Carolina income tax on these retirement benefits. The exemption extends to heirs of a government employee who are receiving benefits based on that employee's service. Refunds would be for state taxes paid between 1989 and 1997. For more information, write to the Federal Retiree Tax Equity Task Force; 3117 Kinnamon Rd.; Winston-Salem, NC 27104 or call toll-free, 1-877-829-2273.