



MARYLAND MILITARY COALITION

Serving Veterans through Legislative Advocacy

March 25, 2024

Honorable Ben Barnes
Chair, House Appropriations Committee
Room 121 House Office Building
Annapolis, MD 21401

Subject: **Request for FAVORABLE Report with Amendment** – SB 697 - Maryland National Guard – Tricare Premium Reimbursement Program – Alterations

Dear Chair Barnes and members of the Appropriations Committee:

The Maryland Military Coalition (MMC) has reviewed the amendments to ***SB 697 - Maryland National Guard – Tricare Premium Reimbursement Program – Alterations***. We request an amendment to the bill in accordance with the issues discussed below.

We are concerned that the bill could be implemented in a way that would be inconsistent with the bill's purpose.

The purpose of the Tricare premium reimbursement program is to enhance recruiting and retention in the Maryland National Guard. Recognizing that health care for members of the National Guard is a readiness issue, the General Assembly enacted the Health Care for Heroes Act of 2023 which reimburses National Guard personnel for the cost of Tricare health, dental and vision coverage. This bill would extend the benefit by reimbursing National Guard personnel for the cost of Tricare family coverage. The program could be a useful tool if targeted to recruiting new enlistees who are struggling to pay for family health insurance and retaining personnel who are nearing completion of their initial enlistment contract.

SB 697 authorizes reimbursement of individual Service Member and family medical, dental and vision policies up to the amount appropriated. Once the appropriation is exhausted, no additional reimbursements will be made.

The MMC's concern is that the bill does not prioritize who gets reimbursed first. Reimbursement is on a first come first served basis and all National Guard personnel, regardless of income and need are treated equally.

A junior enlisted National Guard Service Member with a family and working a minimum wage civilian job is treated the same as a Colonel who is a successful business owner in civilian life and two years from retirement. We submit that the former should be reimbursed before the latter. The Colonel does not need a retention incentive and has financial assets to pay for family health insurance that the junior enlisted Service Member does not. Given that the program has only a specified amount of funding, reimbursement should be targeted to those who need it and who can be incentivized to reenlist in the Guard..

The reality is that senior personnel, in part because of their experience, are more familiar with the benefits available and procedures for accessing them. Accordingly, we are concerned that senior personnel will file for reimbursement early and that the funds available in the program will be exhausted before all junior personnel apply.

The fiscal note indicates that the annual cost of the family plan is roughly \$4,044 and that \$871,300 is available in appropriations for 2025. That means that the program can pay for only 215 family plans before funds are exhausted.

We believe that limited funds for the program should be available first to those National Guard personnel who are in the greatest need, would most benefit, and who are in the window for retention.

During our testimony on SB697, we requested an amendment to extend the Tricare Reimbursement Program to members of the Federal Reserve (Army, Navy, Air Force, Marine Corps and Coast Guard) who are also eligible to receive health insurance under Tricare Reserve Select. During his town hall meeting with veterans last year, Governor Moore ***discussed supporting*** reimbursing Tricare Reserve Select premiums for members of the Federal Reserve. We look forward to working with the General Assembly and Executive Branch to extend this benefit to all Citizen-Warriors of the Federal Reserve.

The Maryland Military Coalition is a registered non-profit, non-partisan advocacy organization comprised of prominent Maryland-based veteran and military groups, representing over 150,000 service-connected individuals, including those currently serving, veterans, retirees and their families, caregivers, and survivors.

We want to thank Senator Gile for her commitment to our veterans and uniformed services community in Maryland and for introducing SB 697.

Respectfully,

A handwritten signature in black ink, appearing to read "JL Spiegel". The signature is fluid and cursive, with the first name "Jayson" and last name "Spiegel" clearly distinguishable.

Jayson L. Spiegel
LTC USA (Ret)
President, Maryland Military Coalition