



House Budget Committee

Democratic Caucus

U.S. Rep. John Spratt ■ Ranking Democratic Member

News Release

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Military Groups Praise Spratt's Budget

WASHINGTON — The Military Coalition, a partnership of 25 armed forces advocacy groups, praised the budget resolution authored by U.S. Rep. John Spratt (D-SC) for providing \$16.3 billion in health care improvements for military retirees over the next decade.

Spratt, the top Democrat on the House Budget Committee, introduced on March 23 the Democratic budget resolution that funds major provisions of H.R. 3655, the "Improved Medical Care for Troops and Retirees Act."

In a March 23 letter, the Military Coalition — which includes the Air Force Association, Retired Officers Association, and Veterans of Foreign Wars — praised Spratt for his budget.

"We appreciate your leadership in proposing an additional \$16.3 billion over the next ten years to improve access to military health care for Medicare-eligible uniformed services beneficiaries," the letter stated. "Thank you for your strong support."

The retiree benefits in Spratt's budget resolution were not included in the House Republican budget resolution, which passed the House.

At 65, military retirees and others eligible for Medicare lose guaranteed access to the military health care system. To help these retirees, Congress established a demonstration program called "Medicare Subvention" in the Balanced Budget Act of 1997, which Spratt co-authored.

Medicare Subvention calls for Medicare to reimburse the Department of Defense for care provided to Medicare-eligible military retirees, much as it reimburses private-sector health care providers.

Spratt's budget made Medicare Subvention permanent and extended it nationwide by

2006. “Medicare Subvention is authorized by H.R. 3655,” said Spratt, “and my budget provided the funds to put it into effect.”

Spratt’s budget resolution not only provided Medicare Subvention but guaranteed access to the Department of Defense’s prescription drug plans for Medicare-eligible military retirees. “Over the next ten years,” said Spratt, “the Democratic budget provided a total of \$16.3 billion — \$10.9 billion for Medicare Subvention and \$5.4 billion for prescription drug coverage.”

Spratt’s budget also treated prescription drug coverage as an entitlement. “As an entitlement in the budget,” said Spratt, “it would not have to compete with other defense priorities for discretionary funds every year.”

Spratt said the budget resolution is a necessary step to funding the new retiree benefits, but it is not the final step. “When the final authorization and appropriation bills are passed this year, I hope we can reach a bipartisan agreement on these benefits and enact them,” he said.

Spratt also pointed out that his budget resolution last year initiated an increase in veterans’ health care benefits of \$1.7 billion. His resolution this year, fiscal 2001, included additional increases in veterans’ health care and enlarged educational benefits under the Montgomery GI Bill.

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