

MEMO TO: National Officers
National Service Officers
Department Commanders and Adjutants
National Interim Legislative Committee
DAVA National Adjutant

FROM: Joseph A. Violante, National Legislative Director

SUBJ: **Clarification of Effects of Health Insurance Reform Legislation on Veterans**

DATE: March 30, 2010

A number of DAV members and others have asked how the new health insurance reform law (Public Law 111-148, approved on March 23, 2010) would affect our nation's veterans. As many of you know, in general the new law requires most U.S. citizens and legal residents to obtain private health insurance coverage by 2014 or they (or their employers) will face financial penalties through the U.S. Tax Code.

Under this new law, we interpret that all veterans enrolled in Department of Veterans Affairs (VA) health care and their dependents and survivors under CHAMPVA, and all military families, military retirees and dependents enrolled in military health care, TRICARE, and TRICARE for Life, are deemed to have the minimum essential coverage that satisfies the individual requirement for health insurance coverage. As such, we believe these veterans and military families *are not* required to buy private coverage in addition to their government-provided health services, as the DAV had insisted to Congress and the Administration.


Furthermore, under the new law but outside VA and the Department of Defense (DOD), veterans and their family dependents, the same as all other Americans, may gain the option to buy a private plan through state-run insurance exchanges, beginning in 2014. Based on income limits, they may also be eligible for financial assistance in purchasing insurance coverage.

With all the misinformation that has appeared in the media and on the internet, we can understand why some veterans and their families have become concerned about what they think might happen to them under the new law. One specific and unintended problem surfaced that concerns a few hundred severely disabled children of Vietnam and Korean War veterans with spina bifida, but that problem is being addressed now by the Veterans Committees in Congress with a technical correction. S. 3162, as passed by the Senate, would amend the reform law to guarantee that VA's spina bifida program for these children would be considered minimum essential coverage. Otherwise, we believe veterans who rely on VA health care and their family members who rely on CHAMPVA will be unaffected by the new health reform law.

Nonetheless, in an overabundance of caution due to ambiguous language, legislation has been introduced to clarify the intent of the law, as follows:

- H.R. 4887, already passed by the House and pending in the Senate (S. 3148), would provide that coverage under TRICARE and DOD's Non-appropriated Fund Health Benefits Program (for DOD employees of the Army and Air Force Exchange Service and others) constitutes minimal essential health care coverage as required by the health insurance reform law.
- H.R. 4894 would amend the health insurance reform law to ensure nothing in that law could be construed to diminish the authority of the Secretary of Veterans Affairs or the Secretary of Defense over the VA and DOD health care programs, respectively. This bill would also directly amend the reform law to ensure that enrollment in DOD or VA health care is considered minimum essential coverage.

DAV will remain vigilant to protect the VA health care system upon which so many service-connected disabled veterans rely. We will also continue to monitor the implementation of the health insurance reform law to ensure that it will not adversely impact our nation's wartime disabled veterans, their families or dependents.


JOSEPH A. VIOLANTE
National Legislative Director

JAV:lmb