

September 28, 2016

Congressional Task Force on
Economic Growth in Puerto Rico
U.S. Congress
Washington, D.C.

Via email: prtaskforce@mail.house.gov

Esteemed Members of the Task Force:

As concerned representatives of the Military Retiree Community of Puerto Rico, we appreciate your efforts in identifying impediments to economic growth of Puerto Rico in current Federal Laws and programs. As mandated under PROMESA, you requested comments from the community that identify those impediments. We submit to your consideration the need to change inequitable DOD healthcare policy that denies to military retirees in Puerto Rico the benefits of TRICARE PRIME and forces them to suffer the economic burden of TRICARE STANDARD.

We are aware that **The National Defense Authorization Act (NDAA)** for fiscal year 2017 contains drastic reforms to the TRICARE program. Since the NDAA 2017 is pending legislative and executive action we will not comment on it at this time. We will focus our comments on the current TRICARE program that will continue in effect until the TRICARE reforms are signed into law. The current TRICARE policy impacts not only the medical benefits of the military retiree community of Puerto Rico but also impacts the economic growth of the island.

It is recognized by service members that TRICARE is one of the best healthcare benefits in the United States. Its superior benefits and lower out-of-pocket costs are comparable to those provided by other employers. The availability and access to TRICARE weighs heavily on the decision of where a service member chooses to retire. In the case of Puerto Rico this decision is influenced by the US Department of Defense healthcare policy that classifies Puerto Rico as an overseas location and denies access to TRICARE PRIME, therefore forcing military retirees that are island residents to use TRICARE STANDARD.

It is estimated that approximately 45,000 military retirees and their families live in Puerto Rico and suffer the economic impact of using TRICARE STANDARD. We believe that changing the DOD healthcare policy and allowing access to TRICARE PRIME, will motivate these families to stay in Puerto Rico and consequently prevent them from joining over 450,000 US citizens from Puerto Rico who have migrated within the last 10 years to the continental United States. A change in DOD healthcare policy will also motivate other military retirees to move or return to Puerto Rico. This will impact directly on our stagnant economy, considering the fact that a continuously decreasing population is a clear impediment to economic growth.

How can the DOD healthcare policy be an impediment to economic growth? It is an impediment to economic growth because it establishes a barrier that pushes many service members to prefer retiring in other stateside locations over Puerto Rico. The lack of equitable access to TRICARE healthcare program for service members and their families, that could consider retirement in Puerto Rico, denies the island the benefit of receiving these military retirees as new members of the society.

Service in the armed forces of our nation, either active duty or reserve components has benefited all areas of Puerto Rico society. This positive influence was particularly felt after WWII when thousands of American citizens from Puerto Rico who served during the different wars and conflicts returned to the island. These men and women returned with their world wide experience and seized advantage of the economic and educational opportunities that their veteran benefits and military retirement provided them.¹ The social, economic, academic, and medical transformation of Puerto Rico after 1945 was influenced by thousands of loyal American citizens from Puerto Rico who served in our armed forces and returned to Puerto Rico upon completion of their service obligation.² Some of them retired but many entered the work force as civilian employees or became business owners.

Since 1899 when the Puerto Rico Regiment of Volunteers was organized, the retirement plans of hundreds of thousands of Puerto Rican service members was to return to the island. This idea of returning to their homeland and the comfort of being surrounded by family and friends has eroded in recent years.³ A growing trend among service members from Puerto Rico is to retire and relocate near military bases in the continental United States. This decision deprives Puerto Rico of receiving the economic and social benefit of returning sons and daughters. At this time of economic crisis and accelerated migration to the continental United States, we need to find ways that motivate military retirees of all ethnicities to consider Puerto Rico as their new home. The economic growth of the island can be accelerated if we stop the migration and motivate the retirement of service members in Puerto Rico. A strong influx of military retirees who possess a higher education level, economic stability, and health condition, when compared with the rest of the population⁴, will be a significant positive impact to the economy of the island.

We recognize that the decision to move and retire in Puerto Rico does not depend exclusively on not having TRICARE PRIME. Undoubtedly, there are many other factors that influence that decision. But, having access to TRICARE benefits in Puerto Rico, in equal terms with the brother in arms that retire in the States, will be of great advantage to the economy of Puerto Rico.

¹ Franqui, H. (2010). Fighting For the Nation: Military Service, Popular Political Mobilization and the Creation of Modern Puerto Rican National Identities: 1868-1952. pp. 213.
http://scholarworks.umass.edu/cgi/viewcontent.cgi?article=1227&context=open_access_dissertations

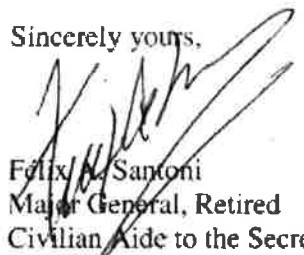
² Goodsell, C. (1978). Administración de una Revolución. Editorial Universitaria, Universidad de Puerto Rico. pp. 127.

³ Delgado, J. A. (2013, September 30). Los militares aceleran la dispersión de la diáspora. El Nuevo Día. pp. 12.
<https://baparchivodenoticias.files.wordpress.com/2015/07/los-militares-aceleran-la-dispersi3b3n-de-la-dic3a1spora-30-s60001.pdf>

⁴ Franqui, H. (2015). Marching on: Military Service and the Social Conditions of Puerto Ricans in the U.S.
<http://centropr.hunter.cuny.edu/centrovoices/current-affairs/marching-military-service-and-social-conditions-puerto-ricans-us>

Until the TRICARE reform proposed under the NDAA for fiscal year 2017 is signed into law, it is imperative that the DOD healthcare policy is changed to allow the residents of Puerto Rico access to TRICARE PRIME.

Sincerely yours,



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