



VFW Post 10295

BOWLING GREEN, VIRGINIA



Vol. 6, No. 9

"Serving Our Community With Pride"

March 2010

How Come Everyone
Else Yells,
"BINGO!"
...And All I Ever Yell is,
"#!!@!?"

**On Thursdays
At the Post
Doors Open at 6
Games at 7
Admission: \$15**

TRICARE Contracts Extended to 2011

By Tom Philpott, Military.com

Six million military health care beneficiaries learned last July that their TRICARE support contractor would be changing on April 1, 2010, because the companies that run TRICARE's North and South Regions had lost in competing for the next generation of contracts.

Government auditors concluded last November that the winning bids for contracts worth a combined \$38 billion over five years were mishandled, and the winning bids might have been less competitive than first judged.

By mid-December TRICARE officials had reviewed the audits, accepted the findings and vowed "corrective action." Meanwhile, officials decided the current TRICARE contracts will be extended through at least March 31, 2011.

For the six million beneficiaries impacted, the extension means no contract-driven shift in health care providers, and no need to change telephone numbers or web addresses to make medical appointments.

The TRICARE Management Activ-

See TRICARE, Page 2

From the Quartermaster...

Just a reminder that we will be going to the **National Museum of the Marine Corps** in Triangle, Va, on Saturday, March 27. We leave from the Post at 9 a.m., and will car pool as necessary. Guests are welcome.

This is a no cost trip, but bring money for lunch. There is a cafeteria and a restaurant in the museum and the food is pretty good and reasonable. There are also local restaurants nearby.

If you want to go on this trips call me at 804-690-7348 or send me an email at vfwpost10295@verizon.net.

Don't forget the trip to the D-Day Memorial scheduled for this summer. To help you plan a bit, the hotel room will cost around \$100 for the night, including taxes. They can put two beds in a room if you want to double up to split the cost.

Saturday's lunch will be \$10-\$15, and dinner will cost about \$25, not including drinks. Breakfast on Sunday morning should be less than \$10.

Transportation costs have not been worked out yet because we don't know how many plan on going, but the total cost for the trip should be less than \$200. The specific details will be in the April newsletter. If you need more information or want to confirm you are going, call 804-690-7348.

There will be 50 cent drafts sold at the bar every Friday during "Happy Hour."

**Next
Membership
Meeting:
Tuesday,
March 9
7 p.m.
@ the Post**

TRICARE Contracts

From Page 1

ity's (TMA) acceptance of all findings by the General Accountability Office is not good news for Aetna Government Health Plans of Hartford, Conn. GAO found six reasons to sustain the protest filed by current North Region contractor, Health Net Federal Services of Rancho Cordova, CA.

The most serious was the appearance of impropriety and unfair advantage gained when Aetna hired a former chief of staff at TMA and used him to help draft their bid package.

The officer had had access to proprietary information on Health Net not only before he left government but while working for Aetna, GAO said, because he was able to view sensitive documents through his old TRICARE e-mail account.

Health Net executives hope the corrective action TMA takes for North Region is to award them the contract. Health Net was Aetna's only competitor in the bidding process.

Humana Military Healthcare Services, which runs South Region, also won its protest of a \$21 billion contract awarded to UnitedHealth Military & Veterans Services of Minnetonka, Minn. The GAO said TMA's contracting officer failed to give adequate weight to the value of fee discounts Humana had negotiated with its care providers. GAO suggested TMA reevaluate the bids and make a fresh decision.

TriWest Healthcare Alliance of Phoenix, AZ, will remain support contractor for 2.7 million beneficiaries in the West Region. That award was not challenged but TriWest's current contract is being extended until next March too, when presumably new five-year contracts will take effect across the TRICARE system.

Steven Tough, president of Health Net, said the contract extension "should provide a significant amount of comfort to all those we serve in the North Region [and] to personnel at military treatment facilities and the providers who work so closely with us."

Health Net has been involved in TRICARE since its start in 1995 and before that with its predecessor, the CHAMPUS Reform Initiative. Architects of national health reform, Tough said, could use TRICARE as a model for reform nationwide.

"TRICARE, while uniquely built for the military, has so many possibilities as a platform for other things," Tough said. "It's got a large base of beneficiaries [across] many different states. It's got a single point of administration which keeps administrative costs low. "

A worry for analysts is TRICARE's steadily rising costs, but Tough said much of that is due to the "ebb and flow" of deployments in wartime and how TRICARE civilian provider networks "flex" to care for beneficiaries when personnel leave from military clinics and hospitals.

That's occurring now in North Region, Tough said, for the Haitian tragedy with personnel leaving Bethesda Naval Medical Center, MD, and the naval hospital in Norfolk, VA.

On that point, "Steve is absolutely on target," said his counterpart for the South Region, Humana Military's president and CEO David J. Baker. "The beauty of these TRICARE contracts is our ability to flex as evidenced by the fact that TRICARE has flexed [for] troop commitments in theaters like Iraq and Afghanistan. That's one of the real successes of the program."

Report on Virginia VA Center Finds Problems With Claims

By Rick Maze - Air Force Times

A recent report from the Veterans Affairs Department inspector general will help fuel complaints about error-filled disability claims process in need of complete overhaul.

Investigators looking at claims processing at the VA regional office in Roanoke, VA, found that 25 percent of the case files they closely studied had serious mistakes.

Some veterans were denied benefits they deserved, and

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Post Officers

Commander.....Doug Fortune

Senior Vice.....Paul Pitts

Junior Vice.....Moody Pitts

Newsletter Editor....George Hijar

Chaplain.....Peter Swain

Advocate.....Garrison Boyle

Surgeon.....George Hijar

Trustees.....

G. Bauserman

Ryan Ransome

J.D. Crabtree

CLAIMS - -From Page 2

disability compensation was given to others who were not eligible. Many errors involved Vietnam veterans with disability claims related to exposure to the defoliant Agent Orange.

In one case, a veteran was underpaid \$21,857 because the claims staff did not properly consider a physician's opinion that coronary artery disease was a complication of service-connected diabetes.

In another, a veteran was overpaid \$15,640 for a diabetes-related amputation below the knee that he said was related to exposure to Agent Orange in Vietnam.

His claims folder lacked any evidence that he had served in Vietnam, the IG report says. The report, released in January, found similar problems with claims involving traumatic brain injuries.

In addition to reviewing claims, investigators looked at the work stations of claims employees to determine if they were following strict rules to protect veterans' personal information, and they also looked at mail handling procedures. Problems were discovered in both areas, the report says.

Thirty percent of the desks inspected had information that should not have been left unsecured. Investigators found about 4,200 pieces of unsecured returned mail containing personal information on veterans.

In response to the report, VA officials provided refresher training on handling personal information and stepped up inspections of work stations to make sure policies are followed.

More training also is being arranged for claims processors, the report says.

Eye Glasses for Retirees

All retirees, even TRICARE for Life recipients, may receive one pair of standard issue glasses each year from the Naval Ophthalmic Support and Training Activity.

To get the glasses go to <http://www.med.navy.mil/sites/nostra/order/Pages/Retiree.aspx>, the NOSTRA website and select the "How to Order: Retirees" link for more information.

Family members and surviving spouses are not entitled to NOSTRA support. For more TRICARE vision benefits go to <http://www.tricare.mil/mybenefit/>.

VFW Nat'l Conference to be Streamed Live

The Veterans of Foreign Wars (VFW) will stream live its National Legislative Conference, March 6-10, on their website at www.vfw.org.

Streaming will begin with the Voice of Democracy Parade of Winners at 6 p.m. (EST) on March 7. A delayed stream of VFW Commander-in-Chief, Thomas Tradewell's testimony on Capitol Hill will also air the afternoon of Tuesday, March 9.

In addition to streaming the segments live, all events will also be available on demand on the VFW website.

For up to the minute information, video clips and pictures from the VFW National Legislative Conference go to <http://www.facebook.com/VFWFans>.

New TRICARE Handbook

The new TRICARE Standard and Extra handbook is now available to all TRICARE Standard beneficiaries.

The 68-page handbook includes information on accessing routine, urgent and emergency care, as well as TRICARE's prior authorization and referral requirements.

The "TRICARE Standard Handbook: Your Guide to Using TRICARE Standard and TRICARE Extra" is available now on the at www.tricare.mil/mybenefit/Download/Forms/Standard_Handbook_LoRes.pdf.



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Part II

Summary of Federal Tax Law Changes for 2009-17

EDITOR'S NOTE: *This is the second part of the "Summary of Federal Tax Law Changes for 2009-17."*

Refundable Child Tax Credit -- The \$8,500 income threshold needed to qualify to claim the child tax credit if it exceeds your regular income tax bill decreases to \$3,000 for 2009.

College Savings Plans-- Beginning in 2009, 529 College Savings Plans can be tapped tax-free to pay for a computer or Internet access.

Partial Exclusion for Unemployment Benefits-- For 2009, the first \$2,400 of unemployment benefits you receive is tax-free.

Estimated Tax Relief for Owners of Small Businesses -- If an individual's AGI for 2008 was less than \$500,000 and more than half of the gross income was from a business with fewer than 500 workers, the estimated income taxes for 2009 estimated tax payments can be based on the lesser of 90 percent of tax liability for 2008 or 2009. The usual estimated tax benchmarks of 100 percent or 110 percent of tax liability do not apply.

Starting in 2010: Estate Tax Repealed -- The federal estate tax is scheduled to be eliminated for estates of individuals who die in 2010.

Roth IRA Conversions-- Starting in 2010, individuals with more than \$100,000 of modified AGI are free to switch a traditional IRA to a Roth IRA. For conversions in 2010, taxpayers can spread the tax due over two years. Half the tax will be due in 2011, and the remaining half will be payable in 2012.

Removing the limit on conversions effectively eliminates the income limit on contributions to Roth IRAs. A taxpayer with income too high to use a

Roth will be able to contribute to a traditional IRA (which does not have income limits for contributions) and immediately convert to a Roth.

Domestic Production Activities Deduction-- In 2010, this deduction increases to nine percent of qualifying business net income. This deduction applies to businesses engaged in construction, engineering or architectural services, film production, or the lease, rental or sale of equipment you manufactured. However, the rate remains 6 percent for oil and gas companies.

State and Local Sales Tax Deduction The opportunity for itemizers to choose to deduct their state sales tax payments instead of deducting their state and local income taxes ends after 2009, unless Congress extends it.

Educators' Deduction -- This deduction for up to \$250 of classroom supplies purchased by educators lapses after 2009, unless Congress extends it.

Nontaxable Combat Pay Allowed for Earned Income Tax Credit (EITC) -- The election to include nontaxable combat pay in the calculation of earned income for the Earned Income Tax Credit is not available after 2009, unless Congress extends it.

Tuition and Fees Deduction-- The deduction for up to \$4,000 of college tuition and fees expires after 2009, unless Congress acts to extend it.

Direct Donations of IRAs to Charity -- Beginning in 2010, the opportunity for IRA owners age 70½ to directly donate part of their IRA balance to charity will disappear, unless Congress acts to extend it.

Additional Standard Deduction for Property Taxes-- Starting in 2010, non-itemizers will no longer be allowed to increase their standard de-

duction by up to \$1,000 of property taxes paid, unless Congress acts to extend this break.

Limits on Deducting Farm Losses -- Beginning in 2010, the amount of farm losses you can enter to offset nonfarm income is capped at the greater of \$300,000 or your net farm income over the past five years. But this limit will apply only if you get federal farm payments or Commodity Credit Corporation (CCC) loans. You can take suspended losses in later years. The caps will also apply to partners and S firm owners.

Exemptions for the Alternative Minimum Tax-- For 2010, the exemption levels drop to \$45,000 for married filing jointly, \$33,750 for singles and heads of household, and \$22,500 for married couples filing separately. Congress is likely to act in 2009 to prevent this from happening. Otherwise, more than 20 million filers will be added to the AMT rolls.

Partial Exclusion for Unemployment Benefits -- For 2010, the first \$2,400 of unemployment benefits you receive is no longer tax-free.

Sales Tax Deduction for New Vehicles -- Beginning in 2010, buyers of new vehicles no longer get a tax benefit for sales tax paid on new vehicles, unless they itemize and elect to deduct sales taxes instead of state income taxes.

Credit for Energy-Saving Home Improvements -- The 30 percent tax credit of the cost of energy-saving home improvements reverts to 10 percent after 2010, and is capped at \$500.

Starting in 2011: Higher Tax Rates -- Beginning in 2011, tax rates in effect prior to 2001 spring back into

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effect. The top income tax rate returns to 39.6 percent, and the special low 10 percent bracket is eliminated. Whether this will actually happen will be at the heart of a spirited battle in Congress.

Estate Tax Revived-- For individuals dying after 2010, the federal estate tax returns with a \$1,000,000 exemption and a 50 percent maximum rate. This assumes that Congress allows the estate tax to disappear in 2010, which is unlikely.

Increase in Capital Gains and Dividend Tax Rates-- The tax rate reductions for long-term capital gains and dividends is scheduled to expire this year. In 2011, the maximum long-term capital gains tax rate is 20 percent.

A lower 10 percent tax rate is used by individuals who are in the 15 percent tax bracket. Their long-term capital gains was tax-free since 2008.

In 2011, dividend income (other than capital gain distributions from mutual funds) is taxed as ordinary income at your highest marginal tax rate.

Child Tax Credit -- The credit of \$1,000 per eligible child goes to \$500 after 2010. Then, none of the child tax credit will be refundable to taxpayers unless their earned income is more than \$12,550.

Payroll Tax Credit -- Starting in 2011, the partial credit for payroll taxes paid is no longer available.

Decreased Section 179 Expense Deduction-- Taxpayers who purchase qualifying business property may elect to deduct the cost of the property in the year that it is placed in service. This is referred to as a Section 179 deduction.

In 2009 and 2010, the maximum amount of property that may be taken as a Section 179 deduction is \$125,000. In 2011 and future years, the maximum deduction drops to \$25,000.

College Savings Plans -- Beginning in 2011, 529 Plans can no longer be tapped tax-free to pay for a computer or Internet access.

Tax Credit for College Tuition-- The Hope credit is limited to the first two years of college and is capped at \$1,800. None of the credit is refund-

able if it is more than your regular income tax liability.

Earned Income Tax Credit (EITC) - Temporary increases in the Earned Income Tax Credit for those with 3 or more children, and the higher income levels for the phase out of the credit are repealed.

Starting in 2013: Tax Relief for Taxpayers Who Lose Their Homes to Foreclosure Expires --






Debt forgiven in connection with foreclosure of a principal residence will again be considered taxable income (unless you are in bankruptcy or insolvent).

Mortgage Insurance Premiums -- The special itemized deduction for mortgage insurance premiums paid on mortgages taken out after 2006 expires after 2012.


Starting in 2017: Credit for Residential Energy-Efficient Property-- The credit for 30 percent of the cost of installing solar water heating equipment, photovoltaic or fuel cell equipment, geothermal heat pumps or wind turbines in your primary residence or a second home does not apply after 2016.

TIP CHART

\$	15%	20%	\$	15%	20%	\$	15%	20%	\$	15%	20%	\$	15%	20%
10	1.50	2.00	28	4.20	5.60	46	6.90	9.20	64	9.60	12.80	82	12.30	16.40
11	1.65	2.20	29	4.35	5.80	47	7.05	9.40	65	9.75	13.00	83	12.45	16.60
12	1.80	2.40	30	4.50	6.00	48	7.20	9.60	66	9.90	13.20	84	12.60	16.80
13	1.95	2.60	31	4.65	6.20	49	7.35	9.80	67	10.05	13.40	85	12.75	17.00
14	2.10	2.80	32	4.80	6.40	50	7.50	10.00	68	10.20	13.60	86	12.90	17.20
15	2.25	3.00	33	4.95	6.60	51	7.65	10.20	69	10.35	13.80	87	13.05	17.40
16	2.40	3.20	34	5.10	6.80	52	7.80	10.40	70	10.50	14.00	88	13.20	17.60
17	2.55	3.40	35	5.25	7.00	53	7.95	10.60	71	10.65	14.20	89	13.35	17.80
18	2.70	3.60	36	5.40	7.20	54	8.10	10.80	72	10.80	14.40	90	13.50	18.00
19	2.85	3.80	37	5.55	7.40	55	8.25	11.00	73	10.95	14.60	91	13.65	18.20
20	3.00	4.00	38	5.70	7.60	56	8.40	11.20	74	11.10	14.80	92	13.80	18.40
21	3.15	4.20	39	5.85	7.80	57	8.55	11.40	75	11.25	15.00	93	13.95	18.60
22	3.30	4.40	40	6.00	8.00	58	8.70	11.60	76	11.40	15.20	94	14.10	18.80
23	3.45	4.60	41	6.15	8.20	59	8.85	11.80	77	11.55	15.40	95	14.25	19.00
24	3.60	4.80	42	6.30	8.40	60	9.00	12.00	78	11.70	15.60	96	14.40	19.20
25	3.75	5.00	43	6.45	8.60	61	9.15	12.20	79	11.85	15.80	97	14.55	19.40
26	3.90	5.20	44	6.60	8.80	62	9.30	12.40	80	12.00	16.00	98	14.70	19.60
27	4.05	5.40	45	6.75	9.00	63	9.45	12.60	81	12.15	16.20	99	14.85	19.80

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4 Bingo 7 p.m.	5 Happy Hour @ the Post 5 p.m. .50 cent drafts	6
7	8	9 Membership Meeting 7 p.m.	10	11 Bingo 7 p.m.	12 Happy Hour @ the Post 5 p.m. .50 cent drafts	13
14 	15	16	17 	18 Bingo 7 p.m.	19 Happy Hour @ the Post 5 p.m. .50 cent drafts	20 
21 	22	23 Passover 30	24	25 Bingo 7 p.m.	26 Happy Hour @ the Post 5 p.m. .50 cent drafts	27
28	29	30	31			





VFW Post 10295
 17352 A. P. Hill Blvd
 Bowling Green, VA 22427