Cost-Effectiveness of the Military Health Care System

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I. INTRODUCTION

Although there are no specific provisions addressing military healthcare facilities in the Patient Protection and Affordable Care Act (PPACA), they are a vital part of society and the healthcare system. The military healthcare system is unique in that it is designed to benefit and assist all military personnel and their families. In order to manage veteran’s health care, the Secretary of Defense will “design, establish and manage health care programs in such a manner as to promote cost-effective delivery of health care services in the most clinically appropriate setting.” 1 The Department of Defense (DOD) has undertaken this role by creating the Military Health System (MHS), which provides health care to 9.6 million service members, veterans, and family members. 2 Much of this care is provided through the 59 hospitals and 364 health clinics within the MHS, as well as the civilian facilities that are utilized by the military under various partnerships. 3 MHS has the unique burden of serving two distinct, but not mutually exclusive, groups of individuals with different needs. 4 The first group is composed of service members who depend on the MHS to provide capable, coordinated medical services anywhere and at any time for combat related care. 5 The second group includes the family members of military service members, who depend on the system to capably assist them with their

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4. ROADMAP, supra note 3, at 7.
5. Id.
civilian medical needs.6

MHS’s mission encompasses three themes: (1) providing medical protection for communities, (2) supplying trained medical teams that can operate with the necessary flexibility for deployment, and (3) managing and delivering a superb health benefit.7 Through the Department of Defense, MHS has utilized the TriCare healthcare program to deliver quality medical benefits that service members, veterans, and their family members so rightly deserve.8 TriCare was established within MHS to provide healthcare plans with actual choices for military personnel, their families, and veterans based on health status, healthcare provider preferences, and location.9 The goal of TriCare is to coordinate the healthcare resources of the uniformed services and supplement them with the appropriate networks of civilian healthcare providers.10 TriCare seeks to assist a system that is constantly competing for DOD resources for training and equipping combat troops, by offering similar benefits at significantly lower out-of-pocket costs than other plans.11 The ability of TriCare beneficiaries to obtain treatment at civilian facilities for a lower cost creates less of a burden on the DOD to finance military treatment facilities, and instead focus more resources on medical treatment for military personnel.

The two other themes of MHS’s mission are unique to the task MHS seeks to accomplish. Funds utilized by MHS need to be distributed in order to provide health care to service members, both at home and during deployment, while also providing standard medical care to their families.12 While some may argue that expenditures could be better allocated for providing medical treatment to troops if funds were not also used for civilian medical needs, the fact remains that the beneficiaries also require, and deserve, ready access to medical facilities at an affordable cost. The number of married military members is increasing, currently 93 percent of career personnel, senior enlisted and

6. Id.
7. Id. at 8.
10. See Health Care in the MHS, supra note 8.
12. See Id. at 68.
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senior officers are married. This increase indicates that there are more civilian beneficiaries living on or near bases. These beneficiaries are entitled to the medical care at the military treatment facilities, which if only equipped for military services, would not be able to provide. The DOD should not provide funding for military specific hospitals only, while neglecting the families that live on military bases that also deserve quality medical access because of budgetary concerns.

Additionally, it is important to note that TriCare allows beneficiaries to use civilian facilities at an affordable cost when military hospitals cannot provide for standard medical needs, thereby enabling military healthcare facilities to focus more on the unique needs of the military when civilian facilities are available. MHS understands the complex needs of the service members and their families, and attempts to utilize its budget to fairly allocate resources while providing the best care for all MHS beneficiaries.

II. THE COST OF MILITARY HEALTH CARE

One responsibility of the DOD is to determine how much of its budget will go towards medical care for military service members and their families. The DOD requested a total budget of $548.9 billion for 2011. These funds are allocated for current support in overseas operations, maintaining ready force and trained military service members, access to medical care for all 9.6 million beneficiaries, and supporting Wounded Warrior Transition Units and other areas that improve the care provided to wounded service members. The budget allocated $30.9 billion for overall medical care, which is an increase of 5.8 percent over the 2010 budgeted level.

The DOD’s budget for 2011 specifically apportions other necessary healthcare

14. Id.
18. Id.
19. Id.
20. Id. at 57.
spending. While MHS provides for the families of service members, a large amount of health care spending goes toward the distinctive medical care that service members require.21 The DOD anticipates needing $669 million to provide care specifically to service members with traumatic brain injury and psychological health needs.22 They also requested an additional $250 million for the continued support of traumatic brain injury and mental health research.23 While some may deem such costs excessive for the military, all of society can benefit from the information gained through MHS research, and it is especially important to the military given the particular risks and injuries service members face. One example of society’s benefit from MHS research is the improvements in medical treatment for burn victims that the U.S. Army Burn Center has been researching.24 The U.S. Army Burn Center focuses on developing a new system to improve burn resuscitation management by reducing the volume of fluids given to patients.25 This system can improve critical care medicine in military and civilian facilities by providing real time bedside augmentation of medical expertise.26 Civilian medical providers will be able to ensure that burn victims are receiving the best treatment possible because they will be able to utilize the system that the U.S. Army has developed.

III. COST CONCERNS OF MILITARY HEALTH CARE

Military hospitals provide treatments for unique injuries, yet many still question the need for such elaborate facilities that also assist civilians with their non-emergency medical needs.27 The DOD is also concerned that important funds are being allocated to areas where civilian hospitals are just as helpful.28 In 2000, the military evaluated emergency departments that could be eliminated because the same services could be

21. See id.
22. Id.
23. Budget, supra note 17, at 57.
25. Id.
26. Id.
28. Id. at 2.
effectively provided through civilian emergency departments. The Air Force conducted an audit in 1997 where it determined that eleven of the eighteen military treatment facilities’ emergency departments could be closed because emergency care could be accessed through nearby civilian facilities. While costs vary for the military in providing access to civilian facilities, the Air Force determined that it could save $31 million over a six-year period if civilian hospitals were utilized instead of Air Force military treatment facilities. The military recognizes these cost-saving measures and desires to enhance them as much as the beneficiaries who want to save money. An MHS strategic plan set forth in 2005 discussed the need to consolidate certain medical centers in order to improve operations by reducing unnecessary infrastructure and rationing staff, as well as the need to eliminate inpatient services at smaller facilities in communities with adequate civilian healthcare. As of 2005, civilian partners through Managed Care Support Contracts delivered seventy percent of the care for DOD beneficiaries.

However, it is not possible to close down all emergency departments within military treatment facilities in favor of civilian hospitals. Due to the location of certain bases, some emergency departments need to stay open to ensure accessible treatment for patients in need. Additionally, many bases depend on the emergency department to conduct training to prepare physicians for wartime duties and provide expedient services during high-risk training exercises. The MHS is always evolving as it ensures quality support for wartime deployments, active duty members, retirees, and family members. One approach the DOD has undertaken is to close or downsize military treatment facilities in favor of outpatient clinics that can still treat the specific needs of military service members at lower costs.

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29. Id.
30. Id. at 4.
31. Id.
32. See ROADMAP, supra note 3, at 11.
33. Id. at 16.
35. Id. at 5.
36. See id. at 2.
37. See id. at 3.
providing tailored and focused environments for Graduate Medical Education.\textsuperscript{38}

IV. WHY HEALTH CARE COSTS FOR MILITARY HOSPITALS ARE NECESSARY

In 2007, inadequate conditions at the Walter Reed Army Medical Center’s outpatient facility were revealed to the public.\textsuperscript{39} The \textit{Washington Post} exposed the substandard conditions at Walter Reed, including outpatient neglect, poor living conditions for patients, and a lack of organization, which prohibited patients from being properly treated.\textsuperscript{40} Since then, the Army and the DOD have worked to reinvent the way the military supports injured service members.\textsuperscript{41} A major advancement includes earlier assessments of ongoing medical needs through assigning service members to the Warrior Transition Unit, which allows for an extended treatment program after discharge.\textsuperscript{42} A Warrior Transition Battalion at Brooke Army Medical Center has taken the approach of using animal assisted therapy to help wounded warriors with their occupational therapy.\textsuperscript{43} The focus of this treatment is to use dogs to elevate moods and reduce stress among wounded service members.\textsuperscript{44} The need to assist these service members with rehabilitation beyond medical care is one of the many distinguishing features of military treatment facilities. The Wounded Warrior Care program also seeks to improve the coordination of health care for retired service members with the Department of Veterans’ Affairs, which shares a concern over the medical well being of all wounded troops.\textsuperscript{45}

One of the biggest realities the military and medical field now face is the amount of unseen injuries troops incur, many that are just as life threatening as the visible ones.\textsuperscript{46} Because of this continuous threat to the troops, the military is focusing on the

\begin{footnotesize}
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\item See \textit{ROADMAP}, supra note 3, at 11.
\item Jones, \textit{supra} note 39, at 20.
\item Id.
\item See id.
\end{enumerate}
\end{footnotesize}
development of medical care for traumatic brain injuries.\textsuperscript{47} The exposure to roadside bombs and other blasts causes physical changes in the brain, many of which go undiagnosed.\textsuperscript{48} The Naval Medical Center is a leader in advancing treatment for traumatic brain injuries and has earned its success through combining medical specialties to treat a single clinical problem—the psychological health and brain-injury effects of combat.\textsuperscript{49} The Medical Center’s team of physicians consists of brain specialists as well as psychologists and physical therapists.\textsuperscript{50} The Naval Medical Hospital has taken on this collaborative approach to treat every wounded warrior at the facility, and has proven incredibly effective in diagnosing patients quickly and providing the most beneficial treatment for each case.\textsuperscript{51}

Part of this routine is the treatment for mental health disorders, which has become the most common reason for hospitalization for military service members in 2009.\textsuperscript{52} The major mental health issues facing military members include depression, substance abuse, anxiety, and post-traumatic stress disorder.\textsuperscript{53} In 2009, there were 17,538 hospitalizations for mental health issues among the military and 11,156 for injuries and battle wounds.\textsuperscript{54} One explanation for the recent increase in mental health disorders is that these disorders take time to develop, and the troops are facing more psychological stress due to prolonged exposure to combat and multiple tours.\textsuperscript{55} The mental healthcare troops require is proving to be a costly endeavor, but one that the MHS needs to provide, if troops are going to properly recover from their deployments.\textsuperscript{56}

Additionally, the research and techniques being developed by physicians at these military treatment facilities can only better serve the rest of society. Emergency response units at civilian hospitals can learn from military treatment options because the military

\textsuperscript{47} Budget, supra note 17 at 57.
\textsuperscript{48} Miles, supra note 46.
\textsuperscript{49} Id.
\textsuperscript{50} Id.
\textsuperscript{52} Gregg Zoroya, Mental Care Stays Are Up In Military, USA TODAY (May 14, 2010), http://www.usatoday.com/news/military/2010-05-14-mental-health_N.htm.
\textsuperscript{53} Id.
\textsuperscript{54} Id.
\textsuperscript{55} Id.
\textsuperscript{56} See Id; see also Budget, supra note 17, at 57 (specifying that 919 million dollars in the budget is for
has been dealing with issues such as explosions, weapons of mass destruction, and other injury causing events that affect people outside of the military.57 Physicians have encouraged civilian trauma centers to learn from the military treatment of trauma cases because trauma cases are not only specific to the military; trauma related injuries are the leading cause of death among people under the age of 45 in the United States.58 The military has a very specific system for treating injured troops from the battlefield to the treatment center, and many feel that civilian physicians can learn from this regimented system.59 Lieutenant General Green, Air Force Surgeon General, stressed the importance of learning from each other on a recent visit to a civilian hospital.60 He admired the trauma levels developed at the facility, while also acknowledging a substantial difference between military treatment facilities and many civilian facilities—military treatment facilities are not focused on making income, but rather on making the best use of the federal dollar, a goal they are constantly trying to achieve.61

V. CONCLUSION

Healthcare costs require a constant evaluation of benefits offered and gains achieved, and the military healthcare system is no exception. The Military Health System is constantly working to improve the needs of the troops and their families, and it has achieved enormous success with the funds available. While it may appear more cost-effective to separate the service members’ medical care from that of their families, the important fact remains that families need the same immediate access to care that is available to the service members, which often times requires the ability of military facilities to care for civilians. The location of facilities and the need for expedient medical services must be taken into consideration when determining how to best provide for all MHS beneficiaries, and the military has worked on this balancing act with great attention towards all parties. When possible, the military prefers the ability to utilize

traumatic brain injury and mental health research and care).

59. See Id.
60. Surgeon General Visits Local Hospital, supra note 57.
61. Id.
civilian healthcare facilities because it increases the budget for other areas of health care within the system.

The unique needs within the MHS require it to continuously adapt to the current situation. Right now, the needs of the MHS are to provide quality care to injured troops, to continue research on specific injuries impacting the troops, and to make quality care available to all family members of the troops. The money spent on health care within the military does not go to waste, it continues to help those serving the country as well as developing advances in technology that can benefit all Americans.