

**President's Input**

If anyone had told me two months ago that we would still be “operating” in the current environment as we are, with little exposure to the public at large, very few stores (if any!) with toilet paper, disinfectant, and other essential items on the shelves, no schools open, no baseball happening, no travel, and low gas prices, I would have thought you crazy. But as crazy as it seems, here we are. I hope everyone is staying healthy, keeping adequate supplies, and maintaining your sanity. I guess we are getting a little dose of what is seen in other countries that restrict activities, ration supplies and food, and just keep everyone locked away scared of their shadows. Take heart, though. We will get through this and return to a place where interaction is not restricted. Probably all depends on when a vaccine is available. Then we can return to an annual arrangement as we have with the regular flu. Until then, don't forget that Congress is still in session and they are still receiving e-mails, so keep firing them off in that direction! The one issue that

MOAA is ascribing is to not allow the DoD to indiscriminately reduce military health care professionals by 18,000 during this time of health crisis. See what is up with all the major legislative issues in the Legislative Update. And there are also several issues that are being considered in the Illinois Legislature to pay attention to.

In the meantime, our business continues. Once again, Rick Sunner has submitted a 5-star award winning entry for the Col Marvin Harris Communications Award. I submitted our package for the 2019 Level of Excellence Award. *Continued on page 2*

**Paul G. McLaughlin, 86,  
 of O'Fallon, IL, and past  
 president of the SW IL MOAA  
 chapter, passed away on  
 Tuesday, May 12, 2020.  
 Arrangements are pending at  
 Schildknecht Funeral Home,  
 O'Fallon, IL.**

<b>Treasurer's Report for Mar 2020</b>	
Checking Account Balance ...	\$641
Savings Account Balance .....	\$8,012
Certificates of Deposit .....	\$15,283
<b>Total .....</b>	<b>\$23,936</b>



Visit us on Facebook! (click logo on left)

Visit our website: [www.moaa-swil.org](http://www.moaa-swil.org)

<b>Featured in this Issue</b>		<b>... and also in this Issue</b>	
➤ President's Input	1	➤ TRICARE Pharmacy Copays	7
➤ Treasurer's Report	1	➤ Military Special Needs Families	8
➤ Programs	2	➤ Military Spouses Career Tools	8
➤ Legislative Issues	3	➤ Possible Budget Cuts	8
➤ COLA Watch	4	➤ ROTC/JROTC Awards	9
➤ Chapter Officers	5	➤ Times of Crisis -- Leadership	9
➤ Editorial Policy	5	➤ Finding Emergency Cash	10
➤ Chapter News	7		
➤ Meeting Info	14		

### President's Input (continued)

We've done a great many things to support the community and several good causes. We also keep our hand in the legislative issues, although contact with the legislators has been slight, especially during this time. I look forward to the meeting in September when I can actually put eyes on everyone, and we can share some good conversation. Thank you for all you do for the Chapter, the community, the State, the Nation, and the greater good around the world. God bless you during this challenging time and keep the faith. We will get through this.

.....

## This Month's Program

**DUE TO THE CURRENT RESTRICTIONS ON GATHERINGS,  
OUR JUNE MEETING IS CANCELLED.**

**WE WILL SEE EVERYONE IN SEPTEMBER  
FOR OUR 2020-21 KICKOFF.**

### MENU

No menu this program

No menu this program

### Upcoming Programs

Date	Venue	Topic
12 Sep 2020	Tavern on Main	2020-2021 Chapter Kickoff Social
10 Oct 2020	Cardinal Creek Golf Course Clubhouse	Aging Successfully
14 Nov 2020	Cardinal Creek Golf Course Clubhouse	O'Fallon Fire Chief
12 Dec 2020	Cardinal Creek Golf Course Clubhouse	Scholarship Auction

Much of the action in Congress and the State Legislature is dealing with the COVID-19 crisis that we are currently experiencing. In fact, if you missed it, Storming the Hill for this year was cancelled due to the social restrictions. However, there was a Virtual Storming that took place on April 29-30, and our own Col (ret) Richard Smith participated in that event. He and the Council President, Col (ret) Bob Tyler, joined MOAA National members visiting the Illinois legislative delegation—Senators Duckworth and Durbin, along with a whole host of Representatives, among them Representative Mike Bost of the 12th District. The one issue that was carried to the entire Congress was DoD’s scaling back on military health care doctors—18,000 cuts—during this time of health crisis. A staggering number of veterans would stand to lose the only affordable health care available to them if this draconian measure were to actually take place. You can read more below about this issue (and many others) that you can also carry to our legislators.



### **Take Action!**

*(Note: for more details about this issue, as well as other issues you can carry to our legislators, see the Take Action article in Council and Chapter News on page 7.)*

### **Write to Congress to Evaluate Military Health System Reform against COVID-19 Lessons Learned**

The COVID-19 pandemic has caused extraordinary flux in the civilian health care system together with increased demands on uniformed medical providers. Act now to urge Congress to halt plans to cut uniformed medical personnel and reduce military treatment facility capacity. ([link](#))

### **Tell Congress to Call for Easier Access to Recovery Rebates**

For those who have not filed a tax return in 2018 or 2019 and received a return through direct deposit, bureaucratic hurdles stand in the way of them receiving the \$1,200 recovery rebate payment. The federal government already has the necessary information to fast-track payments for those who receive direct deposit through the VA or Social Security Administration. Ask your member of Congress to work with the administration to make it easier to get this stimulus money. ([link](#))

### **Waive TRICARE Mail Order Pharmacy Copays During the COVID-19 Emergency**

Many military beneficiaries cannot access their military treatment facility pharmacies due to installation access restrictions or social distancing measures. Please act now to urge your Representative to co-sponsor H.R. 6573, the Help our Heroes Access Medicine Act, authorizing DoD to temporarily waive TRICARE pharmacy copays during national emergencies. ([link](#))

### **Protect Gold Star Spouses During Future Shutdowns**

Under current law, Gold Star spouses receiving benefits from the Department of Defense are protected from interruptions in payments during a government shutdown. But because Coast Guard paychecks come from the Department of Homeland Security, these survivors are still at risk. ([link](#))

### **Support Concurrent Receipt for all Disabled Military Retirees**

Act now to support concurrent receipt of both military retired pay and veterans' disability compensation, regardless of VA disability rating. ([link](#))

### **Act Now to Extend CHAMPVA Coverage**

Did you know many adult children of veterans who are disabled or who died from a service-connected disability risk losing their health care through no fault of their own during the COVID-19 pandemic? ([link](#))

## Legislative News (continued)

### Support the Jobs and Childcare for Military Families Act

According to Department of Defense data, 24% of the military spouse labor force remains unemployed. That's over six times higher than the national unemployment rate. Additionally, many military families feel the impact of the rising cost of health and dependent care. To retain the best and brightest in an all-volunteer force, we must remove as many barriers to family financial stability as possible. Ask Congress to expand the Work Opportunity Tax Credit to military spouses and provide Flexible Spending Accounts as a servicemember benefit. ([link](#))

### Act Now to Help Veteran Caregivers

The Transparency and Effective Accountability Measures (TEAM) for Veteran Caregivers Act improves the veterans caregiver program by ensuring all caregivers are included in the veterans' medical records, establishing a minimum standard of information in downgrade notification letters, and extending benefits for at least 90 days after a termination letter is sent for cases where a veteran is deemed "no longer clinically eligible" for the program. ([link](#))

### American-made Meds for Troops and More Oversight of Foreign-Made Drugs

Our nation increasingly relies on generic medications manufactured outside the U.S. Unfortunately, this reliance includes the associated medication manufacturing processes and ingredients, which are not under the strict scrutiny of the FDA. ([link](#))

### Tell Congress to Expand the Military Lending Act Protections to all Americans

The Military Lending Act is the most successful consumer protection to be enacted. We need to build on this success and protect members of the National Guard and Reserves, veterans, and survivors. ([link](#))

### Tell Congress to Ensure the VA Covers These Four Conditions Linked to Agent Orange Exposure

Four medical conditions – bladder cancer, Parkinson's like symptoms, hypothyroidism, and hypertension – have met scientific scrutiny to join the list of diseases connected to exposure to Agent Orange or other herbicides. The VA is conducting additional studies about whether to cover veterans impacted by these four "presumptives," and we need Congress' help! ([link](#))

### Support Incentive Pay Parity for Guard and Reserve Components of the Uniformed Services

RC aviation personnel currently receive only 1/30th of the Aviation Incentive Pay their active duty counterparts receive. In the wake of a nationwide pilot shortage, the uniformed services are experiencing retention problems. Providing incentive pay parity, across all components, would encourage both departing active component aviator and their RC peers alike, to continue serving in the Guard and Reserve. This issue

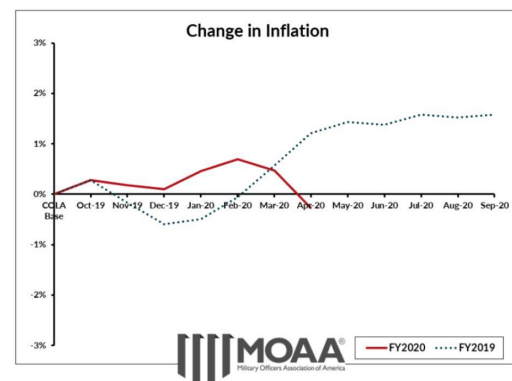
---

### COLA Watch

([moaa.org/content/take-action/cola-watch](https://moaa.org/content/take-action/cola-watch))

The April 2020 CPI is 249.515, 0.3 percent below the FY 2020 COLA baseline.

The Consumer Price Index for May is scheduled to be released June 10. The CPI baseline for FY 2020 is 250.200.



## Legislative News (continued)

is not just one of fairness, but one of maintaining our readiness as a total force. H.R. 2953, the Aviation Incentive Pay Parity Act, would remediate this discrepancy by authorizing incentive pay equivalent to the regular component. ([link](#))

### Congress Must Secure America's Pharmaceutical Supply

Recent events have revealed the vulnerability of the international medical infrastructure, and the need for a close look at the supply chain for critical medications and medical supplies. ([link](#))

### Support the Military Family Readiness Improvement Act

Congress has recognized a 360-degree approach is needed to improve military family readiness. This bill would require more in-depth program evaluation, creates policies to address military family health care and military spouse employment, and makes improvements to multiple family programs such as child care, EFMP, and DoDEA schools. ([link](#))

### MOAA's Message to All Those Up and Down the Ballot in 2020

Please engage your members of Congress by sharing this letter. Even members not seeking re-election should better understand the needs of their constituents who have served, are serving, or have family members who don the uniform. Thank you. ([link](#))

### Urge Congress to Improve Support for Military Special Needs Families

TRICARE's ECHO program falls short compared with state Medicaid services for individuals who would otherwise require care in an institutional setting. Please act now to urge your representative to co-sponsor H.R. 6148, the TRICARE ECHO Improvement Act, which better aligns ECHO coverage with state Medicaid programs. ([link](#))

Chapter Officers	
President	Col (ret) Bob Norman
2nd VP/Communications	Maj (ret) Rick Sunner
Secretary	Lt Col (ret) Ann Morey
Treasurer	Col (ret) Dick Glogowski
Membership	Maj (ret) Sabrina Luttrell
Programs	Yasemin Koss
ROTC Liaison	CDR (ret) Tim Grout
Spouses Liaison	Narni Cahill

**Call for Articles!** If you want to submit an article for the Eyes to the Skies, just send the draft article to me at [rick.sunner@gmail.com](mailto:rick.sunner@gmail.com). Please keep these things in mind:

- Submit your article by the 10th of the month prior
- The article must be in MS Word or text format

We reserve the right to edit the article so it fits in the newsletter and meets our (and MOAA's) editorial policy.

#### Editorial Policy

The Southwest Illinois Chapter Newsletter is published monthly by the Southwest Illinois Chapter which is an affiliate of the Military Officers Association of America (MOAA). MOAA and its affiliated chapters and councils are nonpartisan.



# President's Message: Support MOAA's Virtual Storm and Protect Military Health Care ([link](#))

by

Lt Gen Dana Atkins, USAF (Ret), 27 Apr 2020

**“How can we help?”** It’s a common question in times of uncertainty. It’s even more common among MOAA members — officers with a desire to help, to serve, to contribute, whether they are in or out of uniform, and spouses who’ve always stepped up when the need arises.

But now, as we encourage our medical responders, and support our essential workers as best we can, we’ve been asked to stay home. It would seem we’ve been sidelined. But that’s not the case at all.

While MOAA’s annual Storming the Hill event set for March was cleared from the calendar by the COVID-19 crisis, MOAA’s staff has assembled a Virtual Storm on a critical issue that’s slipped out of the headlines during this temporary normal — an urgent need to readdress congressionally mandated reforms to the Military Health System (MHS).

You may be familiar with some of the news surrounding these reform efforts. The plan to cut 18,000 military medical billets was announced more than a year ago, and MOAA successfully lobbied Congress last year to direct a pause so DoD could conduct a detailed analysis on the impact these cuts would have on readiness and beneficiaries. Earlier this year, not related to those cuts, DoD released plans to reduce or eliminate 48 military treatment facilities (MTFs), potentially affecting about 200,000 beneficiaries. All of this before the COVID-19 outbreak.

We don’t believe this current pandemic should be the sole architect of our future medical capability, fully staffed and resourced for a repeat crisis that may or may not happen for 100 years. We do, however, believe we should capitalize on solutions and lessons learned through these current challenges and come out on the other side with an improved interoperability of our national health care system, of which DoD is one component.

At present, DoD has put MHS reforms on hold due to the crisis and that’s appropriate given the increased demand for health care providers from DoD and others like the VA, USPHS, and HHS. However, when the demand levels off and we come out of this pandemic, DoD is charged with submitting their analysis as noted above, and continuing MHS reform per the earlier congressional mandate.

And that’s the crux of the problem.

MOAA needs your help in telling Congress the MHS reform agenda they approved in the FY2017 NDAA needs more than a pause — it needs to be stopped and reevaluated through a comprehensive review of solutions and lessons learned this year. This assessment must include the whole of government along with the national health care system focusing on what worked well during the crisis and what needs to be improved.

**The end result must be a health care system that:**

- 1) is capable of supporting current requirements, and**
- 2) is a scalable and coordinated capability able to leverage all of our national talents and resources to surge when conditions warrant.**

## So, how can you help?

- Join MOAA’s virtual storm by visiting [this link](#) for details on contacting your legislators.
- Share MOAA’s message on social media by reaching out to your legislators, local media members, and others, and using the hashtag #MOAASstorms to spread the word.
- Keep yourself safe by following all health guidance, and keep up with the latest COVID-19 news, updates, and resources at [this link](#).

Even apart, we are all in this together. And even from our homes, we will Never Stop Serving.



# COUNCIL AND CHAPTER NEWS

## TAKE ACTION!

For more information about the articles in this month's newsletter and how you can get more involved in other issues, visit the MOAA [Take Action Center](#) webpage.

- [Write to Congress to Evaluate Military Health System Reform against COVID-19 Lessons Learned](#)
- [Tell Congress to Call for Easier Access to Recovery Rebates](#)
- [Waive TRICARE Mail Order Pharmacy Copays During the COVID-19 Emergency](#)
- [Protect Gold Star Spouses During Future Shutdowns](#)
- [Support Concurrent Receipt for all Disabled Military Retirees](#)
- [Act Now to Extend CHAMPVA Coverage](#)
- [Support the Jobs and Childcare for Military Families Act](#)
- [Act Now to Help Veteran Caregivers](#)
- [American-made Meds for Troops and More Oversight of Foreign-Made Drugs](#)
- [Tell Congress to Expand the Military Lending Act Protections to all Americans](#)
- [Tell Congress to Ensure the VA Covers These Four Conditions Linked to Agent Orange Exposure](#)
- [Support Incentive Pay Parity for Guard and Reserve Components of the Uniformed Services](#)
- [Congress Must Secure America's Pharmaceutical Supply](#)
- [Support the Military Family Readiness Improvement Act](#)
- [MOAA's Message to All Those Up and Down the Ballot in 2020](#)
- [Urge Congress to Improve Support for Military Special Needs Families](#)

## SW IL VETERANS SERVICE OFFICE

The [VSO](#) provides free assistance to veterans, their dependents, and survivors in navigating complex services and benefits. The nearest VSO is in Belleville, and can be contacted at 618-233-8445/5140.

**The following bills are being considered in the IL Legislature (click on links for more information):**

- Illinois - SB 110 Surviving Spouse -- [link](#)
- Illinois - SB 1255 Transfer of Veterans Education Benefits -- [link](#)
- Illinois - SB 2293 Admission to Veterans Homes for Retired Guard Reserve -- [link](#)
- Illinois – HB 5422 - Tax Credit for Guard and Reserve Employers -- [link](#)
- Illinois – SB 3761 - Tax Credit for Guard and Reserve Employers -- [link](#)

---

## House Bill Would Provide Relief from TRICARE Pharmacy Copays During COVID-19 Crisis ([link for full article](#))

by Karen Ruedisueli, May 5, 2020

MOAA continues to make progress toward a possible TRICARE pharmacy copay waiver during the COVID-19 national emergency.

Representatives have introduced H.R. 6573, the Help our Heroes Access Medicine Act, authorizing DoD to waive TRICARE prescription copays during national emergencies.

While the legislation stops short of mandating a copay waiver, it makes the intent of Congress clear: TRICARE mail order pharmacy copays should be waived under the current circumstances.

As Congress considers the next round of coronavirus stimulus legislation, MOAA is reaching out to the Senate side to encourage a companion bill.

## House Bill Would Improve Support for Military Special Needs Families

by Karen Ruedisueli, May 12, 2020

MOAA's efforts to improve support for special needs families gained traction with the introduction of H.R. 6148, the TRICARE ECHO Improvement Act. Representatives Tom Cole (R-Okla.) and Elaine Luria (D-Va.) introduced this important bill that would improve consistency of support for mobile military families.

MOAA has advocated for improvements to TRICARE's Extended Care Health Option (ECHO) program for several years, including in testimony at the House Armed Services Personnel subcommittee hearing in February.

ECHO serves a relatively small population of the most severely impacted military special needs families, including individuals with intellectual disabilities, serious physical disabilities, and autism spectrum disorder. See the [full article](#) for details...

---

## MOAA Connects Military Spouses to Online Career Tools

by Amber Monks, May 8, 2020

MOAA recognizes military spouses face unique challenges when searching for a new job or re-entering the workforce. Multiple PCS moves to areas where a specialized industry is out of reach and the responsibilities added during servicemember deployments are key factors in causing spouses to face six times the national unemployment rate. Those who are employed usually are overqualified for the positions they hold.

This spring, MOAA partnered with Indeed on a webinar to educate job seekers on utilizing the online platform to their advantage. See the [full article](#) for details...

---

## What Will Possible Budget Cuts Mean for Your Pay?

by MOAA Staff, May 12, 2020

First, the good news: Servicemembers can expect a 2021 pay raise close to last year's 3.1% increase despite overwhelming financial uncertainty, a top House lawmaker recently told reporters.

But while Rep. Mac Thornberry (R-Texas), ranking member on the House Armed Services Committee and a former committee chair, said he expects the 3.0% raise included in the White House's February budget proposal to stay put, there are no guarantees – this year, or especially in the coming years.

The last four military pay raises have matched the Employment Cost Index (ECI) benchmark used, by statute, to set a fair figure. Learn more about that process, and why MOAA tracks it so closely, here, but remember: The ECI figures are guidelines, not requirements.

Defense Secretary Mark Esper already has expressed concerns that coronavirus-related belt-tightening “may lead to smaller defense budgets in the future,” according to a May 4 U.S. Naval Institute News report. This could put pressure on White House budget-makers or Congress to disconnect military pay from ECI in an attempt to make up some of the lost funds.

Protecting military pay remains a key MOAA priority, especially as past Congressional Budget Office reports on ways to cut the federal deficit – which will increase after coronavirus expenditures – have included suggestions to cap the military raise below the ECI. See the [full article](#) for details...



## **SW IL MOAA Recognizes Local ROTC Cadets with MOAA Medals**

**by CMDR Tim Grout, USN (Ret), Apr 14, 2020**

This year SWIL MOAA recognized deserving ROTC/JROTC cadets from our local schools.

The MOAA ROTC medal is used to recognize an outstanding cadet or midshipman in his or her next-to-last year in the program who has demonstrated exceptional potential for military leadership.

Recipients are selected by their individual's unit commander. A recipient must be in good academic standing; be of high moral character; demonstrate a high degree of loyalty to the unit, school, and country; and demonstrate exceptional potential for military leadership.

The 2020 Awardees, all from Air Force JROTC, are:

- Dupo High School, Alexis Stevens
- Mascoutah HS, Maggie D. Benton
- O'Fallon HS, Sophia Tamblyn

## **Southern Illinois University - Edwardsville (SIUE) Commissions 2nd Lts**

**by CMDR Tim Grout, USN (Ret), Apr 14, 2020**

SIUE's Army ROTC Unit commissioned 13 new Second Lieutenants this year. The SW IL MOAA Chapter provided these brand new Second Lieutenants with a Gold Bar set and a one-year membership to MOAA.

- Joseph A. S. Ariella
- Colin B. Arnold
- Todd A. Carter
- Jabril A. Cross-Ellis
- Liam R. Elliott
- Oceona A. Garrett
- Nathan R. T. Goodsell
- Justin M. Krisby
- Rodrigue M. Mbog
- Christopher D. Roberts
- Austin M. Snuffer
- D'Andre J. Traylor
- Zachary S. Wesselmann

## **In Times of Crisis, Leaders Can Bring Out the Best in Their Employees — By Focusing on Them**

**by Vice Adm. Cutler Dawson, USN (Ret), May 8, 2020**

As the commanding officer of the guided missile cruiser USS Princeton, I knew that our upcoming missile exercise was going to be the critical proof that our ship was once again ready for battle.

From my command console in the combat information center (CIC) on board the ship, I gave the order, "Batteries release. You're cleared to fire on the incoming target." But nothing happened. Instead of that familiar swoosh! of a missile exiting the tube, I heard the roar of the missed target as it passed over the ship.

I quickly called a meeting of the CIC team. As I walked to the wardroom, I thought about how anxious everyone would be about our failure to engage a very expensive target and what kind of tone I should adopt. I believed it was important for me to set a relaxed, confident tone so that we could discover what went wrong. I entered the room, and everyone stood up at attention and avoided my gaze. I told them to sit down. I looked around and saw a lot of chagrined faces. Some even looked scared.

There was a lot of nervous energy bouncing around, and you could hear a pin drop. I smiled and said calmly, "Okay. We have to figure out what happened because, if not, we can't fix it. We have three more targets to engage today and we need to get the problem fixed ASAP."

*Continued on page 10*

## Leaders Bring Out the Best (continued)

Way in the back of the room, one hand slowly floated up. A very young fire control technician cleared his throat and poked his head between two other faces. He said, “Captain, I had my fire switch in the wrong position. I had it in the ‘off’ position.” To which I said, “Thank you. You will be ready next time, right?” He said, “Absolutely, sir.” “Okay, then,” I replied, “let’s get back to work.”

Our next three attempts were direct hits on the target. My message to the crew was clear: no reprisals for honest mistakes. It is what it is. We can’t fix the problem unless we talk openly about it. We can’t fix the problem unless we create a safe harbor for the crew to tell us the truth.

I could have gotten angry and that young sailor could have remained silent. I could have punished him by taking him to Captain’s Mast. I could have become defensive with my chain of command and pointed fingers. I did none of the above. I had created what I call a “safe harbor” for my crew, an opportunity for any one of them to admit an honest mistake with no repercussions. And I insisted on respecting my crew, in good times and bad. That is much more important than scapegoating. And it produced the answers that I needed in order to fix the problem and prove that Princeton had returned to full combat capability.

The most important job of any leader is a laser focus on your employees, especially in times of crisis. Some military leaders put their own careers first. Some CEOs do the same. I have always made my crew my number-one priority. My philosophy as a Navy leader was simple: take good care of your people and they will want to do a good job. What that produces for leaders in times of crisis is a “bank” of good will. Your crew will trust you to do the right thing by them and they will take care of the mission at hand — even in tough times.

Years later when I was the CEO of Navy Federal Credit Union, the largest credit union in the world with assets of more than \$100 billion, my philosophy was the same: take good care of your employees and they will take good care of your customers.

Caring cannot be hyped, faked, or spun. It needs to be proven in leadership’s everyday actions. Take care of your people, ensure they are proud of the work that they are doing, and you will have a great place to work.

The key to sharpening your leadership skills during an unprecedented time like this — one of major disruptions and extreme uncertainty — is to make your employees and their wellbeing your highest priority and create a safe harbor for honest and open two-way communications.

They, in turn, will focus on the targets that count. In times of crisis, you can bring out the best in your employees. But you do this by focusing on them.



VADM Cutter (on the right)

---

## Where to Find Emergency Cash for Coronavirus Hardships

by Kimberly Lankford, May 13, 2020

Everyone is facing new financial challenges because of the coronavirus. Even if you have stable employment with the military, you may have a spouse who lost a job, a side business that is struggling, or rental property with tenants who can’t pay their bills.

If you’ve retired from the military, you may have lost a second job or worry about your volatile investments. And military families face some unique challenges, such as extra

*Continued on page 11* 10

## Emergency Cash for Coronavirus Hardships (continued)

expenses if you were about to move and sold your house, then abruptly faced a stop-move order delaying your PCS.

You may need extra cash to cover unexpected expenses for a few months – or longer. There are several ways to get money in an emergency without landing in expensive debt, and some special options to help with financial hardships related to the coronavirus pandemic. Here’s how to access extra money without hurting your long-term finances.

### Military Aid Societies

Every branch of the military has an aid society offering interest-free loans and grants for servicemembers and retirees who need extra cash in an emergency. The most common loan from Army Emergency Relief (AER) is \$1,500 for 15 months, said Lt. Gen. Raymond Mason, USA (Ret), AER director. These societies have introduced special relief funds to help with financial hardship related to COVID-19.

The AER also has extended eligibility for assistance to some non-Title 10 National Guard and Army Reserve soldiers for financial hardship caused by a canceled deployment or the current DoD travel ban.

The aid societies are also helping with expenses caused by a spouse’s layoff, a quarantine, or other unexpected bills related to COVID-19. Coast Guard Mutual Assistance, for example, is providing loans to help with child care and elder care costs because schools and facilities have been temporarily closed.

As of mid-April, AER had received 97 requests and disbursed \$171,000 in COVID-19 assistance funds.

“It’s a mix of loans and grants based on financial need and budget,” said Mason. “The average has been about \$1,200.”

Navy-Marine Corps Relief Society has provided about \$275,000 in COVID-19 financial assistance for 366 cases, including \$500 quick-assist loans and traditional financial assistance averaging \$1,740.

For more information about your service’s relief eligibility rules, visit:

- Army Emergency Relief: <https://www.armyemergencyrelief.org/>
- Navy-Marine Corps Relief Society: <https://www.nmcrcs.org/>
- Air Force Aid Society: <https://afas.org/>
- Coast Guard Mutual Assistance: <https://www.cgmahq.org/>

The American Red Cross can also direct you to military financial assistance resources.

Some state veterans affairs offices are also providing special COVID-19 grants and loans. Minnesota, for example, is offering disaster relief grants of up to \$1,000 for veterans who have been financially impacted by COVID-19, and special needs grants to help them pay their regular bills. The Indiana Department of Veterans Affairs is offering a relief fund for military families with hardships related to COVID-19. Go here for links to the State Veterans Affairs Offices.

### Financial Institutions

Many banks and credit unions are offering special low-interest loans to help families facing coronavirus-related hardships. Most lenders are offering bill-paying extensions (they usually have a coronavirus page listing details on their websites), and some relief is required by federal law. For example, the Coronavirus Aid, Relief and Economic Security (CARES) Act automatically suspends principal and interest payments on federal student loans through Sept. 30, 2020, and lets homeowners with federally backed mortgages request a forbearance on their payments for up to 180 days (which can be extended for another 180 days).

*Continued on page 12*

## **Emergency Cash for Coronavirus Hardships (continued)**

Some lenders are offering similar programs for other mortgages. The Consumer Financial Protection Bureau has assembled a list of financial resources for affected servicemembers (at this [link](#)).

### **Your Retirement Savings**

You can generally borrow up to \$50,000 from your Thrift Savings Plan (TSP) or a 401(k) and have five years to pay back the loan (longer for home purchases). But the CARES Act lets plans boost the loan limit up to \$100,000. You may be able to tap your retirement savings without an early-withdrawal penalty.

The new law also lets people withdraw up to \$100,000 from their retirement plans (including IRAs) without a 10% early-withdrawal penalty and gives them up to three years either to put the money back into the account or pay taxes on the withdrawal. The TSP is updating its procedures for the new loan and withdrawal provisions. You can find updates at the TSP's COVID-19 page.

Raiding your retirement savings can hurt your finances in the long-term, so it's much better if you can put the money back into the account within the three-year period. But even removing the money temporarily can cost you if you miss a market rebound, said Col. Curt Sheldon, USAF (Ret), owner of CL Sheldon and Co., a fee-only financial planning firm in Alexandria, Va. (and a MOAA Life Member).

### **Life Insurance Policy Loans**

If you have a permanent life insurance policy that has built up cash value through the years, you may be able to borrow most of that cash value as an extra source of emergency funds. There's no application and the loan doesn't affect your credit rating. You can usually get the money within 48 hours.

For example, small-business owners have been using these loans to help pay their bills while their business has been down or closed because of the pandemic, he said. You pay interest on the loan, but there's no repayment schedule. If you die before repaying the loan, the balance is subtracted from the death benefit.

### **Home-Equity Line of Credit or Cash-Out Refinancing**

Today's low interest rates make it a good time to see if you can benefit from refinancing your mortgage and lowering your monthly payments. And you may be able to borrow extra money to help with your other expenses.

With a cash-out refinancing, you can usually borrow up to 80% of the home's value, including the mortgage and extra cash. But whenever you refinance, it's important to assess the costs.

"Be sure to understand the up-front fees and closing costs that may apply, along with interest rates and other terms," said Neal Stern, a CPA in Deer Park, N.Y., and member of the AICPA national CPA financial literacy commission. The AICPA's [www.360finlit.org](http://www.360finlit.org) site includes a refinancing calculator to help you assess the savings and the fees.

A home-equity line of credit can also provide a low-interest source of cash, although a few banks recently announced they would temporarily stop accepting new HELOC applications.

"Wait times for processing may be longer than usual due to high application volumes," said Stern. "Also keep in mind that your home is collateral for these loans and you risk losing it in foreclosure if you can't make the required payments."

*Kimberly Lankford is a freelance financial writer and military spouse from Lynchburg, Va.*



**This page intentionally wasted.**

Southwest Illinois Chapter  
Military Officers Association of America  
P.O. Box 735  
O'Fallon IL 62269

## **Meeting Announcement**

**This Month's Meeting has been cancelled.**