



HEALTH AFFAIRS

THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D C 20301-1200

NOV 16 2006

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, DC 20510-6050

Dear Mr. Chairman:

This letter forwards an interim report responding to the requirements of Section 734 of the National Defense Authorization Act for Fiscal Year 2006, which directed the Comptroller General to complete a report no later than May 1, 2006, of the effectiveness of the current system of differential payments to children's hospitals and the effectiveness of the TRICARE program in achieving the objective of adequate access to high quality obstetrical care services for family members of members of the Uniformed Services. Recommendations, if any, that the Comptroller General considers appropriate to modify the current system for differential payments and obstetrical care shall be included with the report.

If the Comptroller General's report includes recommendations for TRICARE modifications the statute further provides that the Secretary of Defense shall transmit with the Comptroller General's report a proposal for such action as may be required to implement the modifications, and an assessment of their costs.

The Secretary of Defense's report is required no later than November 1, 2006, but it is contingent on completion of the Comptroller General's report. Section 734 provides a six month time frame to respond to the Comptroller General's report. Since the report of the Comptroller General is in its very early stages and has not been received by the Department, please expect the Secretary of Defense's report approximately six months from receipt of the report by the Comptroller General.

Thank you for your continued support of the Military Health System.

Sincerely,


William Winkenwerder, Jr., MD

cc:
The Honorable Carl Levin
Ranking Member