

# GAO Highlights

Highlights of [GAO-20-335](#), a report to the Committee on Armed Services, U.S. Senate

## Why GAO Did This Study

Military families with adult children who are incapable of self-support due to impairment face unique challenges, including the loss of healthcare and other benefits if these incapacitated adult children lose their dependency status.

Senate Report 115-262 included a provision for GAO to review DOD's dependency determination process for incapacitated adult children. This report assesses, among other things, the extent to which the military services have established policy for determining the dependency status of incapacitated adult children, and the extent to which DOD oversees dependency determinations, including tracking, monitoring, and reporting on applications and determinations. GAO reviewed relevant policies and guidance; interviewed DOD and military service officials and families involved in the dependency determination process; and analyzed program data.

## What GAO Recommends

GAO is making six recommendations, including that DOD provide detailed, specific guidance for financial determinations, and clearly define and exercise oversight roles and responsibilities. DOD concurred with two of GAO's recommendations and identified actions it plans to take to implement them. DOD partially concurred with four of GAO's recommendations. GAO continues to believe the recommendations are valid, as discussed in the report.

View [GAO-20-335](#). For more information, contact Brenda S. Farrell at (202) 512-3604 or [FarrellB@gao.gov](mailto:FarrellB@gao.gov).

June 2020

## DEPARTMENT OF DEFENSE

# Actions Needed to Improve Management and Oversight of Dependency Determinations for Incapacitated Adult Children

## What GAO Found

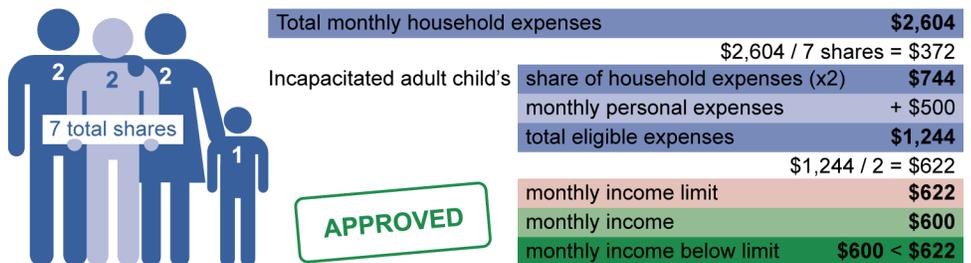
The military services have jointly established policy for determining the dependency status of incapacitated adult children of servicemembers. However, the policy provides limited guidance and inconsistent standards, resulting in the military services developing fragmented approaches for processing applications. For example, the policy provides limited information for making financial determinations. As a result, the Defense Finance and Accounting Service (DFAS) (which processes applications for the Army and the Air Force), the Navy, and the Marine Corps use different formulas to calculate eligible expenses, resulting in outcomes that vary among the military services (see figure). These outcomes may result in increased hardships for military families, including the loss of healthcare coverage and military base access. Providing detailed, specific guidance for financial determinations would enhance the equitable treatment of all military families.

### Examples of Calculations of Incapacitated Adult Child Eligible Expenses

#### Defense Finance and Accounting Service (DFAS) (for Army and Air Force) and Navy



#### Marine Corps



Source: GAO analysis of Department of Defense guidance. | GAO-20-335

Note: Total eligible expenses are divided by two to determine whether the child's income exceeds 50 percent of their expenses. Monthly expenses and income are held constant for both families.

Department of Defense (DOD) oversight of the dependency determination process is limited, in part because policy does not clearly define oversight roles and responsibilities. Without clarifying oversight roles responsibilities, to include ensuring the consistent tracking, monitoring, and reporting of reliable applications and determinations data across the military services, DOD lacks visibility and relevant information to inform decision-making about the process. Without exercising oversight, DOD may be unaware of inconsistencies in the process and related outcomes.