

Defense Procurement News

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Defense Department Continues Caregiver Program with Sittercity

The U.S. military buys many things each year. These include hardware, services, maintenance, weapons as well as support and benefits for its members. One of the benefits that it offers is a contract with **Sittercity** to provide a means for its Soldiers, sailors, airmen and Marines to find caregivers through that company's online portal.

The [original contract was awarded](#) in 2009 and was just renewed. Sittercity's provides DoD personnel a paid membership in their system which allows them to use a custom portal to search for caregivers such as babysitters, nannies, elder care providers as well as pet care specialists if needed.

The Department of Defense as budgetary pressure builds due to the continued weak economy and the new debt reduction deal will see its entire budget including the provision of benefits such as this under review. Severe cuts may force changes in things such as health insurance, pay, retirement and ancillary items changed or even outright cut.

There have been several proposals to raise the amount of money that military personnel spend on their healthcare through co-pays and deductibles. Currently the TRICARE system has not seen a co-pay increase since its establishment. There have also been radical changes to the retirement system discussed. The current system provides immediate benefits to those who retire with at least twenty years of service. There have been discussions of raising the age when benefits are provided, to reducing the amounts or even ending the defined benefit system.

As the defense budget begins to be reduced programs like Sittercity may be eliminated first. For companies like Sittercity which have not traditionally relied on defense contracts for work it may not be a big deal although it will be lost revenue. The next series of cuts will be to major programs that could seriously affect a company who rely on one or two large defense contracts.

No matter what the next several years will be a challenging environment for companies hoping to do business with the U.S. defense department.

