

Jon Dowie
National Secretary/Treasurer

July 11, 2016

Committee on Oversight and Government Reform United States House of Representatives Washington, D.C. 20515

Dear Members of the House Committee on Oversight and Government Reform:

On behalf of the National Active and Retired Federal Employees Association (NARFE), I urge you to oppose the Postal Reform Act of 2016, which will be considered by the committee on July 12. This bill unfairly places the burden of fixing the U.S. Postal Service's finances on the backs of postal retirees. In so doing, it breaks a long-standing promise to postal retirees by removing choice and forcing them to either pay additional health insurance premiums or lose their earned health insurance coverage.

Specifically, the bill would require postal employees and retirees to enroll in Medicare or forfeit the Federal Employees Health Benefits Program (FEHBP) coverage they earned as a benefit of long years of employment. For those not enrolled, this would require an additional \$121.80 per month (or more) in Medicare premiums – something many postal retirees do not want and may not be able to afford. NARFE is particularly concerned with the impact this will have on the 76,000 current postal retirees who have elected not to take Medicare. NARFE has no objection to this requirement for current employees/future retirees.

NARFE suggests a simple alternative that would preserve both choice for current postal retirees and substantial savings for the U.S. Postal Service: maintain automatic enrollment of current postal retirees into Medicare Part B, but provide them with a short opt-out window of 60 or 90 days. Without this option, the bill breaks a promise regarding postal retiree health benefits and replaces the individual postal retiree's choice of health insurance with a paternalistic government requirement, at significant cost to the Medicare program.

For these reasons, we urge you to oppose the Postal Reform Act of 2016 at the markup. For a fuller discussion of NARFE's views on the bill, please refer to the comments we provided on the discussion draft, available here.

Thank you for considering NARFE's views. If you have any questions or comments regarding this request, please contact NARFE Legislative Director Jessica Klement at 703-838-7760 or jklement@narfe.org.

Sincerely,

Richard G. Thissen National President

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