



NARFE'S LEGISLATIVE ACCOMPLISHMENTS

113th CONGRESS MIDTERM REVIEW

The federal community continued to face unprecedented assaults in the first year of the 113th Congress (2013-2014). Accordingly, NARFE's legislative efforts focused on defeating misguided proposals attacking federal employees and retirees. NARFE's lobbying efforts were recognized by *The Hill* newspaper as achieving one of the top 10 lobbying victories in 2013. Here are some of NARFE's accomplishments thus far in the 113th Congress.

✓ Prevented any damaging alterations to current retirees' annuities

- **Successfully opposed a switch to the Chained CPI to calculate annual cost-of-living adjustments (COLAs), as proposed in the President's FY14 budget.** Switching to the Chained CPI would cost the average federal retiree \$48,000 over 25 years by slowing the growth of COLA increases. The Chained CPI has not been adopted due, in part, to strong opposition by NARFE and other groups. NARFE hosted a successful press conference at the Capitol against the Chained CPI with members of Congress and coalition partners representing other constituents who would be affected by the change. NARFE also participated in a rally against the Chained CPI at the White House hosted by a coalition partner.

✓ Prevented passage of legislation adverse to the federal workforce

- **Prevented increased retirement contributions for current employees.** As part of a budget compromise, Congress increased the percentage of salary paid by new hires (starting in 2014) by 1.3 percent. However, just days before the deal was announced, it was reported that budget negotiators agreed to increase contributions for *current* employees by 1.2 percent. Strong opposition by NARFE and its allies in Congress helped limit the increase to new hires.
- **Prevented reduction or elimination of federal retirement annuities.** NARFE has been successful in ensuring legislation to eliminate the defined-benefit pension of the Federal Employees Retirement System (FERS) for new hires is not enacted into law. Attempts to eliminate the FERS Annuity Supplement also have not been enacted due to NARFE's advocacy.

✓ Prevented damaging alterations to, and worked to improve, active and retired federal employees' health benefits

- **Successfully opposed a proposal to dismantle the Federal Employees Health Benefits Program (FEHBP).** H.R. 1780 would remove active employees from the FEHBP and place them in the exchanges created by the Affordable Care Act (ACA). By removing traditionally younger and healthier active employees from the pool of participants, retirees would be left in the program and face significantly higher costs. Eventually, the FEHBP would cease to exist, as participating as an active employee is a requirement for receiving coverage in retirement. NARFE has been successful in ensuring this proposal has not moved through the legislative process.
- **Successfully opposed provisions of the Senate postal reform bill that would have increased premiums and threatened the loss of FEHBP coverage for postal employees.** The original version of S. 1486 allowed for the cre-

ation of a separate postal employees health benefits plan, removing them from the FEHBP. It also would have created separate plans for postal retirees with Medicare coverage, but not for those without. The combined effect of these changes would have been an increase in FEHBP premiums across the board. The bill sponsors have since substantially altered these provisions at the urging of NARFE, and the new language would protect FEHBP premiums for postal employees and retirees while allowing most of them to retain their current plans. Nonetheless, NARFE still has concerns regarding requirements for postal retirees to enroll in Medicare, and is continuing to lobby on this issue.

- **The budget deal allows the Office of Personnel Management (OPM) to offer a "self plus one" option in the FEHBP.** OPM will establish a timeline for this new option, which could be available as early as the 2015 Open Season.

✓ Worked to improve pay and benefits for active and retired federal employees

- The three-year pay freeze for current employees ended with an Executive Order issued in December 2013. Employees received a 1 percent raise in 2014.
- In a rare act of solidarity, the House voted unanimously to provide back pay to "non-excepted" federal employees (H.R. 3223) furloughed as a result of the government shutdown. NARFE sent a letter to all members of Congress advocating for passage of the bill. Ultimately, back pay was provided in the bill that reopened the government.
- A bill to help protect federal retirees from "pension advance" scams (H.R. 3310) was introduced in the House. NARFE worked with Rep. Matt Cartwright, D-PA, to draft this legislation.
- NARFE testified before Congress and submitted testimony on a variety of issues affecting the federal community, including reducing the retirement backlog, the value of the FEHBP, proposed reforms to the Federal Employees' Compensation Act (FECA) and legislation reforming the U.S. Postal Service.

✓ Helped ensure Hill staffers maintained benefits in the Health Insurance Marketplace

- A provision of the ACA moved members of Congress and their staffs out of the FEHBP and into the health care exchanges the law created. NARFE submitted comments on OPM's proposed regulations, arguing that traditional FEHBP plans should remain available to them in retirement, among other recommendations. Additionally, NARFE helped craft the framework to ensure they would retain their employer contribution towards premiums for their new health plan options. Ultimately, OPM adopted several of NARFE's suggestions when it issued final regulations on how this provision would be implemented.