



FOR IMMEDIATE RELEASE

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OPM Rule Limits Prescription Drug Plan Choice for Postal Retirees

Alexandria, Va. – *In response to OPM issuing a final rule related to the Postal Service Health Benefits (PSHB) program, NARFE National President William “Bill” Shackelford issued the following statement:*

“The final rule removes choice of prescription drug coverage for Medicare-eligible postal retirees, requiring they receive coverage through their plan’s Medicare Prescription Drug Plan (MPDP) by removing the option to retain their plan’s drug coverage. In NARFE’s view, this action was neither directed nor authorized by Congress when it passed the Postal Service Reform Act.”

“To mitigate the consequences, the final rule added clarifications urged by NARFE to ensure that MPDP coverage is ‘equal to or better than’ than the PSHB plan drug coverage by requiring all PSHB plan drugs to be covered at the same or lower cost share, and added an exception to MPDP coverage for those living overseas. But there are still some circumstances that could make PSHB plan coverage a better alternative. If the drug-cost-lowering benefits of the MPDP coverage for the individual are outweighed by income-based Medicare premium surcharges or the inability to combine drug company discounts with insurance coverage, some postal retirees could be better off retaining their PSHB plan drug coverage. Yet OPM’s final rule forces these postal retirees to accept the costlier option or lose drug coverage through PSHB altogether.”

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As the only organization solely dedicated to the general welfare of all federal workers and retirees, NARFE delivers valuable guidance, timely resources and powerful advocacy. For more than 100 years, NARFE has been a trusted source of knowledge for the federal community, Capitol Hill, the executive branch and the media.

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