



2019 LEGISLATIVE CONFERENCE

ENSURING AFFORDABLE HEALTH AND FAMILY BENEFITS

As the nation's largest employer-sponsored health insurance program, the Federal Employees Health Benefits Program (FEHBP) provides comprehensive health insurance coverage to approximately 8.2 million federal employees, retirees, and their family members. Yet, like many Americans, federal employees are finding it increasingly difficult to continue to afford their health insurance coverage because of the continued rise in overall medical costs and the limited federal employee pay raises in recent years.

Unfortunately, the President's FY 2019 budget request sought to make it even harder for enrollees to afford their coverage by proposing that the government contribution rate be tied to each plan's performance rating. For many FEHBP enrollees, this would mean that the government's overall contribution rate would be dramatically lower than it is now, requiring enrollees to pay significantly higher premiums. Several other troubling proposals in the past few years have suggested turning the FEHBP into a voucher plan that would provide enrollees with a fixed dollar amount each year toward their health benefits – regardless of the amount of annual premium increases or actual rise in overall health care inflation. Others have proposed altering or even eliminating retiree health care benefits.

Rather than seeking to lower costs by reducing enrollee benefits, NTEU supports action to address the high cost of prescription drugs. NTEU continues to support legislation to eliminate Pharmacy Benefit Managers from the FEHBP and is pleased that the administration is considering supporting these efforts. NTEU also supports protection for other federal employee benefits, including the Federal Employees Dental and Vision Insurance Program (FEDVIP), which is paid in full by employees, as well as telework, alternative work schedules and other benefits that help make the federal government a competitive employer.

Finally, NTEU has long been a strong supporter of legislation providing paid parental leave to federal employees. Paid parental leave would be a win-win for the government – employees would be given time to bond with their child and address care-giving issues, while agencies would get an employee who returns to the workplace instead of having the expense of hiring and training a new employee. In addition, the federal government is able to operate as a modern-day employer and offer competitive benefits as many large private sector employers now offer paid parental leave as a core benefit. We expect legislation to be introduced in the new Congress that will provide paid leave for the birth, adoption or fostering of a child.

NTEU urges:

- **Opposition to efforts to shift additional costs to FEHBP enrollees, or to alter the existing program or current benefit structure or formulas.**
- **Adoption of a government-wide paid parental leave program.**