



NARFE'S ADVOCACY PROGRAM FOR THE 116TH CONGRESS (2019-2020)

NARFE's Advocacy Program for the 116th Congress (2019-2020) provides an extensive and specific enumeration of NARFE's member-endorsed positions on legislative and administrative positions.

In pursuing these, NARFE will defend the earned pay, benefits and compensation of federal and postal civilian employees and retirees.

NARFE advocacy primarily focuses on the following priorities:

- Protecting federal and postal retirees' existing retirement and health benefits from reductions and/or erosion.
- Protecting federal civilian and postal employees' pay, retirement and health benefits.
- Protecting the viability, stability and standard of service of established federal government functions.

Legislative goals followed by a star ★ require the introduction of legislation. Positions printed in *italics* are new to the Legislative Program for the 116th Congress.

Retirement

FEDERAL RETIREMENT BENEFITS

- ✓ NARFE supports cost-of-living adjustments (COLAs) for all federally administered retirement programs on a regular annual schedule, computed on the same basis and paid at the same time, regardless of age and/or income level. NARFE opposes across-the-board cuts not required in all federally administered retirement programs.
- ✓ NARFE supports a Consumer Price Index (CPI) based on the objective analyses of Bureau of Labor Statistics (BLS) professionals, and opposes any politically arbitrary changes in the CPI, including the Chained CPI.
- ✓ NARFE supports changing the CPI-W (Consumer Price Index for Urban Wage Earners and Clerical Workers) to the CPI-E (Consumer Price Index for the Elderly) as the standard for determining the annual COLA.★
- ✓ NARFE supports legislation to repeal the increase in pension contributions of new federal employees, enacted in February 2012 and December 2013, and opposes other future reductions in federal retirement benefits.★
- ✓ NARFE supports legislation that permits civilian federal employees to deposit bonuses and performance awards in any form into the Thrift Savings Plan (TSP) on a tax-deferred basis.★
- ✓ NARFE supports legislation to conform the TSP regulations to Internal Revenue Service (IRS) regulations on other qualified retirement savings plans.★
- ✓ NARFE supports legislation to authorize the Federal Retirement Thrift Investment Board (FRTIB) to take legal action to protect the interests of TSP account holders in accordance with its fiduciary responsibilities.★
- ✓ NARFE supports legislation or regulations that require financial advisors to provide advice regarding retirement investments that is in their clients' best interests, not their own.
- ✓ NARFE supports legislation to enhance deferred federal annuitant retirement benefits.★
- ✓ NARFE supports legislation to provide retiring federal employees the option of electing and paying the actuarial cost of additional survivor annuity amounts in 5 percent increments, up to 75 percent of an unreduced annuity.★
- ✓ NARFE supports legislation that would allow the recalculation of retirement annuities for federal employees who have retired since 1994 and who worked in Hawaii, Alaska or the U.S. Territories and who pay the contributions to the Civil Service Retirement and Disability Fund (CSRDF), and income taxes that they would have paid had locality pay been available to them prior to their retirement.★

- ✓ NARFE supports legislation to provide equitable tax treatment of government retirement benefits comparable with Social Security. ⚠
- ✓ NARFE opposes any action that erodes the solvency of the CSRDF and supports providing full public disclosure of the fiscal stability and financial obligations of the Fund.

SOCIAL SECURITY

- ✓ NARFE opposes investment of the Social Security reserves in investments other than Treasury securities.
- ✓ NARFE opposes replacing any portion of Social Security benefits with private individual accounts.
- ✓ NARFE supports the repeal or reform of the Social Security Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP). ⚠
- ✓ NARFE supports legislation that would require the Social Security Administration to report annually the amount of WEP penalty to affected individuals. ⚠
- ✓ NARFE supports raising the Social Security payroll tax cap to cover a greater amount of annual earnings for those with higher incomes. ⚠
- ✓ NARFE supports indexing the income threshold on taxable Social Security benefits. ⚠

NARFE is guided by the following six Social Security principles to provide:

1. A benefit people can depend on;
2. Financial security for the disabled, survivors and dependents (i.e., social insurance);
3. Universal and fair coverage;
4. Deliberate redistribution of benefits to lower income beneficiaries;
5. Efficient administration of the program (less than 1 percent overhead costs); and
6. Full cost-of-living adjustments (COLAs).

Federal Pay and Workforce Policies

- ✓ NARFE supports full implementation of federal employee pay parity as reflected in the Federal Employees Pay Comparability Act of 1990 (P.L. 101-509).
- ✓ NARFE supports legislation that would afford federal employees serving in combat zones the same tax treatment as their military counterparts. ⚠
- ✓ NARFE supports providing federal employees paid parental leave. ⚠

- ✓ NARFE opposes legislation to arbitrarily decrease Federal Employees' Compensation Act (FECA) benefits.
- ✓ NARFE opposes policies on contracting out of federal jobs that put employees at a disadvantage in the competitive process.
- ✓ NARFE opposes proposals that would privatize inherently governmental functions.
- ✓ NARFE specifically opposes contracting out the processing and maintenance of federal personnel records.

Health Care

FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

The Federal Employees Health Benefits (FEHB) Program is the nation's most efficiently administered and cost-effective employer-sponsored health insurance plan, providing coverage to employees, retirees and their spouses and dependents. As such, NARFE will continue to actively participate in discussions with the Office of Personnel Management (OPM) regarding premiums, coverage, terms, conditions and marketing of FEHB Program plans.

To maintain affordability and integrity of the program, NARFE supports:

- ✓ *Providing incentives for enrollment in Medicare Parts A and B for those eligible, including improved coordination of benefits that would reduce out-of-pocket health care costs, and reimbursement for Part B premiums, providing premium relief for those enrolled in Part B.*
- ✓ Legislation that would ensure all FEHB enrollees receive the same level of prescription drug coverage, by plan; ⚠
- ✓ Legislation to amend Section 125 of the tax code to allow federal retirees and survivors to pay:
 1. Their share of FEHB and other employer-sponsored health insurance premiums with pretax annuities; ⚠
 2. Health care costs not covered by traditional health insurance and child and adult dependent care with pretax annuities deposited by annuitants in Flexible Spending Accounts (FSAs) ⚠
- ✓ Efforts to contain FEHB costs, including initiatives to rein in prescription drug expenses, particularly the use of the federal supply schedule by FEHB plans to purchase prescription drugs on behalf of enrollees.

To protect the program, NARFE opposes:

- ✓ Reductions in government contributions toward FEHB premiums;
- ✓ *Adding conditions, such as a requirement to enroll in Medicare Part B, to the continued receipt of FEHB benefits for current retirees and their spouses;*
- ✓ Authorizing, encouraging or forcing participants into Health Savings Accounts, Medicare Savings Accounts, Medical Savings Accounts, “customer-driven,” “consumer-driven” or “patient-directed” plans in the FEHB;
- ✓ Broadening participation in FEHB, unless separate risk pools are created;
- ✓ Requiring federal agencies to prefund the government/ employer’s share of post-retirement FEHB premiums for their current employees;
- ✓ Risk segmentation of FEHB participants based on age or Medicare enrollment;
- ✓ Proposals that would allow Flexible Spending Accounts (FSAs) to be used in conjunction with high-deductible catastrophic health insurance to form an alternative version of a Health Savings Account;
- ✓ Increases in the enrollee co-payment for purchase of prescription drugs in FEHB by federal annuitants who participate in Medicare; and
- ✓ The Office of Personnel Management’s decision to forgo the Medicare employer subsidy to which the FEHB is entitled. NARFE will actively pursue the subsidy for the purpose of offsetting FEHB premiums charged to the government/employer and all enrollees.

MEDICARE

NARFE supports:

- ✓ Protecting Medicare’s guarantee of basic health security for older Americans at affordable and predictable prices;
- ✓ *Applying the effect of the hold harmless provision to all Medicare beneficiaries permanently;*★
- ✓ Preserving the current Medicare fee-for-service program, including the ability to select the physician of your choice;
- ✓ Ensuring that the Medicare drug program does not require beneficiaries who receive such coverage through other insurance to pay additional premiums;★

- ✓ Repeal of means-testing of Medicare premiums;★
- ✓ Reducing the penalty imposed on those who do not enroll in Medicare Part B at the time they become eligible;★
- ✓ Enhancing Medicare prescription drug coverage, including authority for the federal government to negotiate drug prices for the entire program; simplify and stabilize coverage; and provide equal coverage throughout the United States and its territories;★ and
- ✓ Allowing pharmacies to buy prescription drugs from pharmaceutical manufacturers for Medicare beneficiaries at the same average discount available in industrialized countries.★

NARFE opposes:

- ✓ Means-testing cost-sharing requirements;
- ✓ Increasing the Medicare eligibility age;
- ✓ Requiring home health care co-payments;
- ✓ Proposals that would give private Medicare plans an unfair competitive advantage over the current Medicare fee-for-service program and undermine the present program’s ability to share health care costs over a wide community of coverage; and
- ✓ Proposals that limit the government’s share of Medicare premiums through a formula that does not accurately reflect the costs of providing health care to beneficiaries.

LONG-TERM CARE

- ✓ NARFE supports the integrity and affordability of the Federal Long Term Care Insurance Program (FLTCIP).
- ✓ NARFE supports the guarantee of long-term care benefits for individuals presently eligible for Medicaid, adequate state and federal contributions to Medicaid to finance program needs, and standards of care and safety that all providers must follow in order to receive reimbursement.
- ✓ NARFE supports proposals to develop and coordinate a comprehensive long-term care policy that would include public and private initiatives that address financing, choices and quality service.★
- ✓ NARFE supports tax relief for the purchase of long-term care insurance, family caregiving and other long-term care expenses.★

- ✓ NARFE supports proposals that would help individuals who cannot afford long-term care insurance or have a need for long-term care to receive such services without impoverishing themselves or their spouses. ★
- ✓ NARFE supports nursing home reform, including efforts to ensure that long-term care facilities are adequately staffed with experienced professionals in the medical disciplines of gerontology and nursing, and that such individuals continue to receive training and are adequately compensated. ★
- ✓ NARFE opposes further limitations on, and supports easing of, asset rules that prevent severely disabled persons from qualifying and receiving Medicaid long-term care benefits. ★

U.S. Postal Service Reform

- ✓ NARFE supports legislation to maintain the service standards in place as of July 2012, including preservation of six delivery days per week by the U.S. Postal Service (USPS) nationwide and to-the-door delivery at its 2012 levels. ★
- ✓ NARFE will join with other federal and postal organizations to seek legislation to keep small post offices open throughout the United States. ★
- ✓ NARFE supports legislation to relieve the U.S. Postal Service of its overly burdensome requirement to pre-fund its future retiree health care obligations that are estimated to accrue over the next 75 years. ★
- ✓ NARFE supports legislation to allow the Office of Personnel Management to make payments for any refund due to the USPS from the Civil Service Retirement and Disability Fund (CSRDF), on the condition that such payments would not result in the reduction of federal annuities paid to retirees and survivors. ★

- ✓ NARFE opposes adding conditions, such as a requirement to enroll in Medicare Part B, to the continued receipt of FEHB benefits for current postal retirees and their spouses.

Other Provisions

- ✓ NARFE supports legislation permitting drugs made in the United States or other industrialized countries, and exported to third-party industrialized countries, to be reimported, or imported, to the United States, and preventing pharmaceutical manufacturers from limiting the sale of drugs to other countries for the purpose of discouraging reimportation. ★
- ✓ NARFE supports legislation that would provide comprehensive patient protections to consumers enrolled in health plans regulated by federal and state law, and also would allow such individuals to sue their plans for wrongful denials of care. ★
- ✓ NARFE supports the reauthorization of, and adequate annual appropriations for, the Older Americans Act to ensure the continuation and enhancement of community services for senior citizens of all income levels. ★
- ✓ NARFE supports legislation that would grant statehood to the District of Columbia. ★
- ✓ NARFE supports legislation and other changes necessary to extend to the delegate from the District of Columbia the same right to vote on the floor of the U.S. House of Representatives as is afforded to all other members of Congress. ★
- ✓ NARFE supports campaign finance reform legislation that would increase the effect of small-dollar individual contributions on political campaigns and grassroots-based political action committees relative to high-dollar individual contributions. ★



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