



NARFE'S ADVOCACY *POSITIONS* FOR THE 117th CONGRESS (2021-2022)

NARFE's Advocacy *Positions* for the 117th Congress provides an extensive and specific enumeration of NARFE's positions on legislative and administrative *policies*. In pursuing these, NARFE will defend the earned pay and benefits of federal and postal civilian employees and retirees. NARFE advocacy primarily focuses on the following priorities:

- *Defend and advance the earned pay and benefits of America's current and retired civil servants.*
- Protect the viability, stability and standards of service of established federal government functions.

Positions followed by a star ★ require legislation. New language appears in *italics*.

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.
- ✓ *COLAs determined by a Consumer Price Index (CPI) based on the objective analyses of Bureau of Labor Statistics (BLS) professionals.*
- ✓ 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. ★
- ✓ *Providing Federal Employees Retirement System (FERS) annuitants with an annual COLA equal to the relevant CPI increase.* ★
- ✓ *Extending equitable treatment to federal retirement annuities in legislation increasing Social Security benefits.* ★
- ✓ Legislation to provide equitable tax treatment of *federal* government retirement benefits comparable with Social Security. ★
- ✓ Legislation to repeal the increase in pension contributions of new federal employees, enacted in February 2012 and December 2013. ★
- ✓ *Legislation to temporarily suspend required minimum distributions (RMDs) from qualified retirement plans, such as the Thrift Savings Plan (TSP), during significant national economic downturns.* ★
- ✓ *Ensuring the Federal Retirement Thrift Investment Board (FRTIB) discharges its responsibilities solely in the best interests of participants and beneficiaries of the TSP.*
- ✓ Legislation to conform the TSP regulations to Internal Revenue Service (IRS) regulations on other qualified retirement savings plans, *such as 401(k) plans.* ★
- ✓ Legislation or regulations that require financial advisers to provide advice regarding retirement investments that is in their clients' best interests, not their own.

- ✓ 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. ★
- ✓ 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. ★
- ✓ Full public disclosure of the fiscal stability and financial obligations of the CSRDF.

NARFE OPPOSES:

- ✓ Across-the-board *reductions in COLAs* not required in all federally administered retirement programs.
- ✓ *Using the Chained CPI to determine annual COLAs.*
- ✓ Any action that erodes the solvency of the CSRDF.
- ✓ *Increasing federal employee contributions towards retirement without any corresponding benefit increase.*

SOCIAL SECURITY

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).

NARFE SUPPORTS:

- ✓ Repeal or reform of the Social Security Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP). ★

- ✓ Legislation that would require the Social Security Administration to report annually the amount of WEP penalty to affected individuals. ★
- ✓ *Legislation regarding Social Security that improves the solvency of the trust fund and increases benefits for all beneficiaries.* ★
- ✓ Raising the cap on Social Security payroll taxes to improve the solvency of the Trust Fund. ★
- ✓ Indexing the income threshold *for taxation of Social Security benefits.* ★

NARFE OPPOSES:

- ✓ Investment of the Social Security reserves in investments other than Treasury securities.
- ✓ Replacing any portion of Social Security benefits with private individual accounts.

FEDERAL PAY AND WORKFORCE POLICIES

NARFE SUPPORTS:

- ✓ *A merit-based civil service secured through competitive hiring processes and due process protections.*
- ✓ Full implementation of federal employee pay parity as reflected in the Federal Employees Pay Comparability Act of 1990 (P.L. 101-509).
- ✓ Legislation that would afford federal employees serving in combat zones the same tax treatment as their military counterparts. ★
- ✓ *Extending paid parental leave benefits to all federal employees.* ★

NARFE OPPOSES:

- ✓ Proposals that would privatize inherently governmental functions.
- ✓ Legislation to arbitrarily decrease Federal Employees' Compensation Act (FECA) benefits.
- ✓ Policies on contracting out of federal jobs that put employees at a disadvantage in the competitive process.
- ✓ 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 THE 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 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; ★ and
 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). ★
- ✓ *Legislation and efforts by OPM and FEHB plans to contain FEHB costs, including initiatives to rein in prescription drug expenses, such as ensuring access by FEHB plans to any prescription drug pricing negotiated by the Department of Health and Human Services for the Medicare program.* ★

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.

- ✓ 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.

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.
- ✓ 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. ★

NARFE OPPOSES:

- ✓ Means-testing cost-sharing requirements.
- ✓ Increasing the Medicare eligibility age.
- ✓ 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.
- ✓ 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).
- ✓ 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. ★
- ✓ Tax relief for the purchase of long-term care insurance, family caregiving and other long-term care expenses. ★
- ✓ 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. ★
- ✓ 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. ★
- ✓ 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 OPPOSES:

- ✓ *Strict* 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. ★
- ✓ Legislation to keep small post offices open throughout the United States. ★
- ✓ Legislation to relieve the U.S. Postal Service of its overly burdensome requirement to prefund its future retiree health care obligations that are estimated to accrue over the next 75 years. ★

- ✓ Legislation to allow the Office of Personnel Management to make payments for any refund due to the USPS from the 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:

- ✓ *Equitable relief for federal employees and retirees in any legislation providing widespread emergency relief or economic stimulus.* ★
- ✓ 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. ★
- ✓ Legislation that would provide comprehensive patient protections to consumers enrolled in health plans regulated by federal and state law, and would also allow such individuals to sue their plans for wrongful denials of care. ★
- ✓ 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. ★

- ✓ Legislation that would grant statehood to the District of Columbia. ★

- ✓ 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. ★

- ✓ 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. ★