



Return to Sender

Why Postal Reform matters to all
federal employees and retirees

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Postal Reform - Agenda

- **Why Postal Reform is Necessary**
- **NARFE Principles**
- **Pending Legislation**
- **NARFE Opposition**
- **Next Steps**
- **Recap**
- **Questions**



Why Postal Reform is Necessary

- **Overly-Burdensome Prefunding Requirement**
 - Unnecessary Hardship for USPS
 - Driving reform efforts
- **Rate Limitations**
 - Limits profits
- **Closing and Consolidation of USPS Facilities**



NARFE Principles

- **NO changes to the earned retirement or health benefits for ANY federal retiree**
 - Doing so sets a terrible precedent for all
- **Maintenance of choice in federal health benefits**
 - Tenant of FEHB



NARFE Principles

- **Maintaining Service Standards**
 - 6-day delivery
 - To-the-door delivery
 - Accessibility of rural post offices

- **Modifying the Prefunding Obligation**

- **Mail Delivery is an Inherently Governmental Function**



House Postal Reform Act, H.R. 756

- **Introduced January 2017**
- **OGR Committee approval in March 2017**
- **No consideration by House Ways & Means or Energy & Commerce Committees**



House Postal Reform Act, H.R. 756

- **Maintains 6-day delivery**
- **Promotes cluster boxes for new addresses**
- **Authorizes a 1 cent rate increase**
- **End-runs the prefunding requirement**
 - Places burden of reform on postal retirees



House Postal Reform Act, H.R. 756

- **Requires current and future postal retirees to enroll in Medicare Parts A, B and D**
 - 76,000 current postal retirees do not have Medicare Part B
 - Waives late enrollment penalty
 - Automatically enrolls those over 65
 - Phases in premium cost over 3 years



Senate Postal Reform Act, S. 2629

- **Introduced March 2018**
- **Bypassed Committee Process**



Senate Postal Reform Act, S. 2629

- **Maintains 6-day delivery**
- **Allows shipping of alcohol**
- **Maintains current service standards for at least 2 years**
- **Authorizes a 1 cent rate increase**
- **End-runs the prefunding requirement**
 - Places burden of reform on postal retirees



Senate Postal Reform Act, S. 2629

- **Requires current and future postal retirees to enroll in Medicare Parts A, B and D**
 - Waives late enrollment penalty
 - Automatically enrolls those over 65
 - Phases in premium cost over 3 years
 - Provides exception for those living outside the U.S.
 - Hardship waiver provisions
- **All but eliminates the prefunding requirement**



NARFE Objections

- **Mandatory Medicare Enrollment**
 - Changes retiree benefits in retirement
 - Substantial cost to retirees
 - \$1,600 per year in Part B premiums
 - Removes health care choice
 - Invokes a paternalistic government mandate
 - Sets a very dangerous precedent



NARFE Objections

- **NARFE Alternative**
 - Maintain automatic enrollment
 - Allow for an opt out for current retirees

- **Postal Reform is necessary to ensure success**
 - But it must be done right



Next Steps

- **House bill pending before 2 committees with Medicare jurisdiction**
 - Currently unwilling to consider the bill
- **Senate bill bypassing committee process**
- **Could be considered at any time**
- **Watching for inclusion in larger bills**



Next Steps

- **ALL NARFE members should contact Congress**
 - Send the NARFE action letter
 - Be ready to call Congress if action is imminent
 - Action should reflect personal stories and viewpoints
 - How does the legislation affect you?
 - Are you worried about the precedent it sets?



Recap

- **Pending postal bills set dangerous precedent for rest of federal community**
- **Legislation could move at any time**
- **Contact your members of Congress today**



Questions?

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