

# Postal Unions Educate

## Ways & Means and Energy & Commerce Committees on Postal Reform

Following its passage within the House Committee on Oversight and Reform, the Postal Reform Act of 2021 (H.R. 3076) will be reviewed by the House Committee on Ways and Means as well as the House Committee on Energy and Commerce, as both of these committees have jurisdiction over Medicare issues. As prospective Medicare integration for future retirees is at the crux of this bill, they will have to review and approve of the bill in order for it to move forward.

NPMHU, along with the National Association of Letter Carriers, the American Postal Workers Union, and the National Rural Letter Carriers' Association, wrote to the Chairmen and Ranking Members of these committees to ensure they were fully aware the benefits of H.R. 3076 as it relates to Medicare integration.

Without imposing any costs on other federal employees or retirees, the bill will reduce USPS retiree health care costs under the Federal Employees

Health Benefits Plan (FEHBP) by creating postal-only plans within FEHBP and adopting rules for those plans that are standard practice among private sector health plans that offer retiree coverage. Specifically, the postal-only plans will require future annuitants to enroll in Medicare Parts A and B and take advantage of employer subsidies now provided under Medicare Part D to company plans that offer prescription drug benefits to their retirees.

Beginning January 1, 2023, the following will apply: Active postal employees under age 64 will be automatically enrolled in Medicare (Parts A and B) when they retire and become eligible for the program. Retired postal employees will have an option to remain in existing FEHBP or participate in new postal-only FEHBP plans that include enrollment in Medicare Parts A and B. Active postal employees 64 or older will have the same options when they retire.

Retirees over age 65 who have chosen in the past not to enroll in Medicare

Part B will be given a one-time opportunity to do so with no late-enrollment penalty by enrolling in a postal-only FEHBP plan. Annuitants who do not want to use this opportunity to enroll in Medicare will remain in their existing FEHBP (non-postal) plans.

For all future annuitants, the bill provides an exception to the requirement to enroll in Medicare Part B for those covered under other insurance arrangements (such as the VA) and for those who live in a place where there are not Medicare-participating providers. These retirees will be covered by non-postal FEHBP plans.

The letter concluded, "Postal employees and the Postal Service have paid into Medicare and should be allowed to maximize its value the same way private companies and their retirees do."

The entirety of the letter can be found on the NPMHU Legislative & Political Letters to Capitol Hill website, <https://www.npmhu.org/legislative/legislative-priorities/letters-from-npmhu>.

