

**National Active and Retired Federal Employees Association (NARFE)  
Virginia Federation of Chapters  
2008 Convention**

## **VFC-08-R-03 Committee: Resolutions**

### **1. SUBJECT: FEHB PROGRAM PREMIUM STRUCTURE**

Seek legislation in Congress to require the Office of Personnel Management (OPM) to establish a separate pricing structure more favorable to federal retirees and active federal employees with a household of only two, that is establish a new pricing category entitled Self plus One for the Federal Employee Health Benefits Program (FEHBP).

### **2. ADOPTED BY**

Chapter 893, Springfield, VA

### **3. FEDERATION ACTION:**

\_\_\_\_\_Adopted\_\_\_\_\_Adopted as Amended\_\_\_\_\_Rejected

Date of Meeting: \_\_\_\_\_

### **4. WHEREAS:**

OPM has consistently utilized an outmoded methodology of including households of only two people with families of indeterminate size under the overly-broad and all-inclusive pricing category, Self and Family, as compared to current health-care industry standard practice which already offers coverage for: Employee Only, Employee and Spouse, and Employee Family; AND

There is increasing discontent within the membership that OPM has not employed the most fair and cost-effective pricing strategy for active and retired federal employees in that the constituency of active and retired federal employees with a household of only two are consistently disadvantaged by their pricing structure—with a household of only two essentially subsidizing larger family entities for expenses that childless households of two are unlikely to consume, or benefit from, AND

The precedent for such a change already exists within the Federal Employee Dental and Vision Insurance Program (FEDVIP) which, as authorized by the Federal Employee Dental and Vision Benefits Enhancement Act of 2004 (Public Law 108-496, 118 Stat. 4001-4011), currently provides: Self-only, Self plus one, or Family premium structure, AND

The value of creating a new pricing category for the FEHBP would resolve itself in the health benefits marketplace through the solicitation/offer/award process. If the separately identified category offers no price advantage in terms of health carriers' experienced costs, it would be dropped by some carriers, perhaps offered by others.

### **5. BE IT RESOLVED:**

That NARFE National seek new legislation in Congress to establish a new pricing category entitled "Self plus One" for the Federal Employees Health Benefit Program (FEHBP) using whatever means at their disposal. The new legislation would cause the Code of Federal Regulations, Title 5, Volume 2, Part 890, Federal Employees Health Benefits Program, to be modified appropriately in sections throughout.

### **6. ESTIMATED ANNUAL COST: NONE**