

Richard G. Thissen
National President



Jon Dowie
National Secretary/Treasurer

June 8, 2018

The Honorable Ron Johnson
328 Hart Senate Office Building
Washington, DC 20510

Dear Senator Johnson:

On behalf of the National Active and Retired Federal Employees Association (NARFE), I am writing to express NARFE's support for S.2221, the Repeal Insurance Plans of the Multi-State Plan Program Act, in order to redirect staff and budgetary resources from the Multi-State Plan (MSP) Program to the Office of Personnel Management's (OPM) core missions. NARFE takes no position on the merits of the MSP Program itself.

NARFE represents the interests of more than 5 million federal employees, retirees and their survivors. In exchange for hard work and public service, often over long careers, these individuals earn retirement and health benefits. As the agency tasked with administering these benefit programs, part of OPM's core mission is to fulfill the commitments our government has made to its hard-working public servants.

In December 2009, during the debate and consideration of the Affordable Care Act, NARFE expressed concerns that "OPM's core mission of attracting the best and brightest to federal service, and supporting them in their work, would be compromised if the agency was tasked with the massive undertaking of creating and administering a new health care system for millions of Americans." It was NARFE's view then, as it is now, that OPM is not the appropriate agency to administer the MSP Program (to the extent one exists) as it misdirects leadership time and resources away from focusing on OPM's critical work.

Recent trends suggest that removing the responsibility to administer the MSP Program would strengthen OPM's capacity to administer retirement and health benefit programs. MSP options, which were available in 32 states in 2014, are now only available in one – Arkansas. In response, OPM reports the following:

As issuer participation in the Program has declined, OPM has shifted staff and budgetary resources away from the MSP Program and towards enhancing its administration of insurance programs serving Federal employees and annuitants, primarily the FEHB Program. If S.2221 becomes law, OPM will continue its realignment of resources to critical missions, maintaining only the necessary staff and limited resources necessary to ensure an orderly phase out and termination of its responsibilities under the Program.

National Active and Retired Federal Employees Association

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If S.2221 becomes law, NARFE strongly urges OPM to maintain its commitment to continuing this realignment of resources, and for Congress to support the redirection of resources within OPM through the appropriations process.

If you have any questions regarding this issue, please contact NARFE Deputy Director for Advocacy John Hatton at jhatton@narfe.org or 571-483-1267.

Sincerely,

A handwritten signature in black ink that reads "Richard Thissen". The signature is written in a cursive style with a large, prominent initial "R".

Richard G. Thissen
National President