

UPDATE

NAPS Leg/Reg Update - June 15, 2016

Bipartisan House Postal Bill Unveiled

A draft version of bipartisan postal reform legislation was unveiled by House postal oversight leaders on Wednesday, potentially paving the way for action in a calendar-shortened session.

The five House Republican and Democrat postal oversight leaders -- Reps. Jason Chaffetz (R-UT) and Elijah Cummings (D-MD), the respective chairman and ranking member of the House Oversight and Government Reform Committee, and Reps. Mark Meadows (R-NC), Gerry Connolly (D-VA) and Stephen Lynch (D-MA) -- appeared at a stakeholder briefing and then a press conference to comment on their legislation, the [2016 Postal Service Reform Act](#).

The legislation represents a consensus package of familiar solutions to USPS problems: killing the retiree health prefunding burden, achieving savings through Medicare integration and stimulating innovation in new USPS products and services. In addition, the draft bill would confer MSPB appeal rights to 7,500 EAS employees who currently are without them, a move supported by NAPS. A summary of the bill is [here](#).

Medicare integration would require postal retirees electing to receive federal health insurance to enroll in Medicare parts A and B as their primary care provider. Under the draft legislation, over the first 4 years, the Postal Service would cover a decreasing portion of the Medicare Part B premiums for current retirees transitioned into Medicare as a result of the legislation, with 75% in the first year, 50% in the second

year, 25% in the third year, and 0% in the fourth year.

In promoting Medicare integration, lawmakers at today's briefing pointed to the prior contribution of \$29 billion by USPS and its employees into the Medicare Trust Fund, without using those paid-for Medicare benefits. Those same savings also would largely offset the remaining liabilities of USPS prefunding for future retiree health care benefits.

Chairman Chaffetz announced a 2-week period for comments on the draft legislation, until June 29. Chaffetz said the Committee will then look at possible adjustments and introduce a bill for mark-up sometime before July 15, when the 7-week Congressional summer recess begins. This will provide time for the Congressional Budget Office to analyze the bill and estimate the financial impact of Medicare integration, before lawmakers return in early September, Chaffetz said.

NAPS will carefully review the draft bill, brief its members, and continue to work with House and Senate oversight committees in the House and Senate, as well as other key stakeholders, to pass postal reform legislation that serves the postal network and the American people.

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