



*Representing the bargaining unit employees of Passport Services, a division of the Department of State's Bureau of Consular Affairs*

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Randy L. Erwin, President  
NATIONAL FEDERATION OF  
FEDERAL EMPLOYEES (NFFE)  
1225 New York Avenue, NW,  
Suite #450, Washington, DC 20005

Dear President Erwin,

A matter has come to the attention of NFFE Local 1998 concerning the increasing costs of health care premiums for federal employees for the fiscal year 2023. Employees participating in the Federal Employees Health Benefits Program (FEHBP) “will see a significantly larger increase to their health premium cost in 2023, compared with the last few years.” Our employees’ finances are straining because of the high premiums in combination with high inflation rates. Please advocate for lower insurance premiums with Congress.

The Office of Personnel Management (OPM) announced on September 30, 2022, that federal employees and retirees, on average will pay 8.7% more in health premiums in contrast to the past few years. This represents a significant increase in health premiums in 10 years according to commentator Drew Friedman speaking with moderator Jason Miller in an exclusive Federal News Network webinar. Further details can be found in Ms. Friedman’s September 30, 2022, article “Federal Employees will pay 8.7% more, on average, toward 2023 health premiums.”

According to OPM, the sharp increase in premium costs is mainly due to the occurrence of the COVID-19 pandemic. Within two years of the pandemic, more Federal employees are using their benefits. This caused a significant increase in premium rates, and in prescription drug prices. However, during the beginning of the pandemic, many FEHBP participants used fewer elective benefits. This has resulted in a lower average increase in benefits usage over the past four years.

For enrollees in the FEHBP program, the 8.7% premium increase is only an average. Depending on the plans that individual Federal employees and retirees choose, they may pay either more or less in premium costs.

Moreover, in 2023, premiums for non-postal workers and retirees will increase 7.2%. The Federal government will only contribute 6.6% more towards premium costs. For these enrollees, this is the highest premium increase since 2011.

The average cost of premiums for non-postal FEHBP enrollees in 2023, will be: \$8.11 more for Self only, Self-plus one: \$20.34 more, and Family Coverage \$20.87 more, per each biweekly pay period.

Federal Unions and employee organizations are expressing concerns that the sharp increase in FEHBP premiums will cause further hardships for employees, given the financial stress that inflation is causing employees and retirees. National Treasury Employees Union (NTEU), President Tony Reardon commented: “These premium increases...will cause sticker shock for federal employees...”

National Association of Retired Federal Employees (NARFE) President Ken Thomas agreed: “I have no doubt that federal retirees and employees will react...with disappointment and concern.” This will be the highest increase in FEHB premiums since 2011, and it comes as enrollees must deal with high inflation across the board. The average increase in the enrollee share of premium-8.7%-is even more worrisome.”

Needless to say, the impending 8.7% increase in Federal Employees' and retiree's premiums will cause undue financial hardships, given the strain that they are undergoing with high inflation nationwide.

Therefore, we are calling on NFFE to address this issue with Congress.

Please contact our elected officials to intervene with the bargaining process to help bring down these high premium costs for the federal retirees and workforce.

Thank You.

In Solidarity,



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<https://federalnewsnetwork.com/open-season/2022/09/federal-employees-will-pay-8-7more-on-average-toward-2023-health-premiums/>