

Congress of the United States
House of Representatives
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September 23, 2016

The Honorable Beth F. Cobert
Acting Director
U.S. Office of Personnel Management
1900 E Street, NW
Washington, DC 20415

Dear Director Cobert:

We write to express our continued concern and outrage over the dramatic premium increases in the Federal Long Term Care Insurance Program (FLTCIP) that will impact 264,000 enrollees. Our constituents were blindsided by increases of as much as 126 percent – on average 83 percent. Federal employees and retirees, who bear the full cost of the premium and have planned their retirements around the expected benefits from FLTCIP, are now faced with paying the increased premium or reducing or even dropping coverage that some have held since the program began more than a decade ago. This situation is particularly egregious because in literature provided to employees in 2002, OPM asserted that, “Premiums have been set to remain constant for life, unless you increase benefits. Your premiums can change only with OPM’s approval and only on a group, not an individual, basis.”

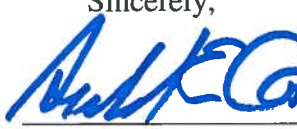
Since this announcement was first made in July, we have not received acceptable answers for why changes in actuarial projections occurred so suddenly as to justify this dramatic premium hike, why the Office of Personnel Management (OPM) failed to provide advance notice of the impact of these projections to enrollees, and how OPM plans to improve oversight of the program to prevent sudden hikes in the future.

As the enrollment deadline rapidly approaches, we have heard from many of our constituents who are angry, worried, and struggling to identify the best of several difficult options that are available to them. Given the lack of notice and short enrollment period, we believe it is appropriate to extend the deadline to allow our constituents more time to make a decision. Moreover, given that they face this decision through no fault of their own, they must be held harmless from any further rate increases during this process.

This situation merits a thorough Congressional review of the structure of FLTCIP and OPM’s oversight of the program. In the meantime, we expect that you will work closely with enrollees to minimize the burden of this unexpected and significant rate hike and give them time to make the best decision for themselves and their families.

Sincerely,


Chris Van Hollen
Member of Congress


Gerry Connolly
Member of Congress


Don Beyer
Member of Congress