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ADMINISTRATIVE EXPENSES UNDER FEDERAL
EMPLOYEES HEALTH BENEFITS ACT OF 1959



HEARING
BEFORE THE
COMMITTEE ON
OFFICE AND CIVIL SERVICE
HOUSE OF REPRESENTATIVES
EIGHTY-EIGHTH CONGRESS
FIRST SESSION
ON
H.R. 7400

A BILL TO AMEND THE FEDERAL EMPLOYEES HEALTH
BENEFITS ACT OF 1959 TO AUTHORIZE THE TRANSFER OF
UNUSED FUNDS FROM THE ADMINISTRATIVE EXPENSE
RESERVE TO THE CONTINGENCY RESERVES OF THE
SEVERAL HEALTH PLANS UNDER SUCH ACT

AUGUST 5, 1963

Printed for the use of the
Committee on Post Office and Civil Service



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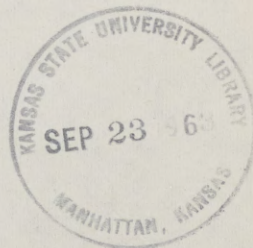
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ADMINISTRATIVE EXPENSES UNDER FEDERAL EMPLOYEES HEALTH BENEFITS ACT OF 1959

MONDAY, AUGUST 5, 1963

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE OF THE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C.

The subcommittee met at 10 a.m., room 215, Cannon House Office Building, Hon. Edward R. Roybal (chairman) presiding.

Mr. ROYBAL. The meeting will come to order.

This subcommittee was appointed to consider H.R. 7400, a bill to amend the Federal Employees Health Benefits Act of 1959 to authorize the transfer of unused funds from the administrative expense reserve to the contingency reserves of the several health plans under such act. The bill represents an official legislative recommendation of the U.S. Civil Service Commission.

The members of the subcommittee are Mr. Pool, Mr. Wilson, Mr. Cunningham, Mr. Wallhauser, and I was designated as chairman.

The purpose of this legislation appears to be in accordance with sound business practice and in the interest of the Federal employees health benefits program, with which it deals.

When the legislation which became the Federal Employees Health Benefits Act of 1959 was being developed in this committee, the matter of fixing a reasonable limitation on the portion of contributions to support the program which could be used for administrative expenses was recognized as a problem. There was no adequate precedent, since the then-pending legislation was the first of its kind to come before the committee. Finally, according to the committee records, it was decided—for lack of a better standard—that the limitation on money for administrative expenses in the Federal Employees' Group Life Insurance Act of 1954 would be used as an initial guideline, at least for the time being.

Accordingly, the Federal Employees Health Benefits Act of 1959 provides that not to exceed 1 percent of all contributions under the program will be set aside as a reserve for expenses of the Civil Service Commission in administering the program.

Experience under the Federal Employees Health Benefits Act of 1959 now has demonstrated that the continued setting aside of 1 percent of contributions will accumulate a sum in excess of that reasonably needed to pay administrative expenses, and that a smaller percentage will, under normal circumstances, be reasonably adequate.

Since the full 1 percent of contribution is not needed for administrative expenses, the Civil Service Commission proposes, in this legislation, that it be authorized to transfer unneeded funds from the

administrative expense reserve to the contingency reserves of the various health benefits plans and thus strengthen such contingency reserves, which will be in the interest of both the Government and the employees who benefit under the program. It is understood that a similar procedure has been successfully followed under the group life insurance program.

(The bill H.R. 7400 follows:)

[H.R. 7400, 88th Cong., 1st sess.]

A BILL To amend the Federal Employees Health Benefits Act of 1959 to authorize the transfer of unused funds from the administrative expense reserve to the contingency reserves of the several health plans under such Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8(b) of the Federal Employees Health Benefits Act of 1959 (5 U.S.C. 3007(b)) is amended by inserting immediately after the first sentence thereof the following new sentences: "The Commission, from time to time and in such amounts as it considers appropriate, may transfer unused funds for administrative expenses to the contingency reserves of the plans then under contract with the Commission. When funds are so transferred, each contingency reserve shall be credited in proportion to the total amount of the subscription charges paid and accrued to the plan for the contract term immediately preceding the contract term in which the transfer is made."

Mr. ROYBAL. Our first witness this morning is Chairman John W. Macy, of the U.S. Civil Service Commission. Chairman Macy, we will be glad to receive your testimony and that of your associates.

STATEMENT OF HON. JOHN W. MACY, JR., CHAIRMAN, U.S. CIVIL SERVICE COMMISSION, ACCOMPANIED BY ANDREW E. RUDDOCK, DIRECTOR, BUREAU OF RETIREMENT AND INSURANCE, U.S. CIVIL SERVICE COMMISSION

Mr. MACY. Thank you very much, Mr. Chairman.

As in the presentation of other amendments on the health benefits program, I am accompanied by Mr. Andrew E. Ruddock, the Director of the Commission's Bureau of Retirement and Insurance.

Mr. Chairman and members of the subcommittee, I appreciate this opportunity to appear before you in support of H.R. 7400 which Chairman Murray introduced.

In fact, Mr. Chairman, I would like to have the record show the appreciation of the Commission for the introduction of this bill by Chairman Murray and appreciation to you and your colleagues and the staff of the committee for holding early hearings on the bill.

The purpose of the bill is to authorize a procedure under which the Civil Service Commission can better manage the fund created by the Federal Employees Health Benefits Act of 1959.

By letter of June 20, 1963, to the Speaker of the House of Representatives, the Commission explained in detail the need for amendment of the Health Benefits Act to provide the Commission with authority to retransfer unused funds from the administrative expense reserve to the contingency reserves of the various health benefits plans in proportion to the subscription charges they received in the preceding annual contract term. I suggest that the Commission's June 20 letter be made a part of the record of this hearing.

Mr. ROYBAL. Without objection, it is so ordered.

Mr. MACY. Thank you, sir.

(The letter follows:)

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., June 20, 1963.

HON. JOHN W. McCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: The Civil Service Commission is submitting with this letter, for the consideration of the Congress, a proposed amendment to the Federal Employees Health Benefits Act. The proposed amendment would authorize the Commission to transfer unused funds from the administrative expense reserve created by the act to the contingency reserves of the various health plans in proportion to their annual subscription charges. A draft bill and a statement of purpose and justification are enclosed.

The Bureau of the Budget advises that enactment of the proposed legislation will be consistent with the administration's objectives.

A similar letter is being sent to the President of the Senate.

By direction of the Commission:

Sincerely yours,

JOHN W. MACY, Jr., *Chairman.*

STATEMENT OF PURPOSE AND JUSTIFICATION

The Federal Employees Health Benefits Act of 1959 creates an employees health benefit fund into which are paid contributions of employees, annuitants, and the Government. Section 8(b) of the act reads in part as follows:

"(b) Portions of the contributions made by employees, annuitants, and the Government shall be regularly set aside in the Fund as follows: (1) a percentage, not to exceed one per centum of all such contributions, determined by the Commission as reasonably adequate to pay the administrative expenses made available by section 9; (2) for each health benefits plan, a percentage, not to exceed three per centum of the contributions toward such plan, determined by the Commission as reasonably adequate to provide a contingency reserve. * * *"

The purpose of the proposed legislation is to authorize the Commission to transfer unneeded funds from the administrative expense reserve to the contingency reserves of the various plans in proportion to the subscription charges they have received in the preceding contract term.

By regulation, the Commission has, since the start of the health benefits program, been setting aside 1 percent of contributions as a reserve for its expense in administering the program. At the outset it was not possible to estimate with precision what the administrative costs would be. While the 1 percent set-aside proved reasonable in implementing the program, experience has shown that the continued setting aside of 1 percent of contributions will accumulate a sum which is more than reasonably adequate to pay administrative expenses and that a smaller percentage would, under normal circumstances, be reasonably adequate.

Several alternative proposals for avoiding an unreasonable accumulation in the fund have been considered, but each has disadvantages. For example, the Commission could simply reduce the 1 percent and set aside a lesser percentage for administrative purposes as of the new contract term beginning in November 1963. This could be done efficiently if at the start of the new contract term all plans changed their subscription charges. But, as far as we can foresee, all plans will never simultaneously change their subscription charges. Therefore, in order to now reduce (and perhaps later increase) the set-aside (presently about \$0.08 per employee per biweekly pay period), it would be necessary to make payroll changes for all of the more than 2 million employees and annuitants enrolled in the program.

The contingency reserves of the individual health plans may be used to defray increases in future premium rates, reduce the contributions of employees and the Government or, to increase the benefits provided by the plans. The legislation proposed will enable the Commission to transfer excess administrative reserves to increase contingency reserves where the funds transferred would be available to give a direct benefit to employees. The allocation of these funds to plans in proportion to their subscription charges is, we feel, an equitable method.

Enactment of the proposal would authorize a procedure in fund management analogous to the manner in which the Federal employees life insurance fund is administered. Under the Federal Employees' Group Life Insurance Act

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the entire fund, composed of employee and Government contributions, except for the Civil Service Commission's actual administrative expenses, is available to meet premium payments, including increases in those payments which might arise because of various contingencies. The health benefits fund is presently less fluid because of the restriction on use of the administrative expense reserve. Allowing the Commission to transfer excess administrative reserve funds to contingency reserves, would permit more flexible use of the administrative reserve fund, comparable to the life insurance method which has proved satisfactory.

Another advantage would accrue immediately upon enactment of the legislation. Enactment would permit reduction of the administrative reserve to the optimum level immediately and enable it to be kept there without periodic adjustment of the set-aside.

The legislation will not require any increase in staff or existing level of expenditures.

Mr. MACY. I shall not take up your time by repeating all of the details included in the Commission's letter. However, I do wish to outline briefly the cause and nature of the problem involved and to review our reasons for recommending this particular approach for its solution.

The Health Benefits Act created an employees' health benefits fund into which contributions of enrolled employees and annuitants, and the Government are paid. The act, in section 8(b), requires that percentage portions of these contributions be regularly set aside to establish two types of reserves:

1. An administrative expense reserve reasonably adequate to pay the Commission's expenses for program operations; and

2. A contingency reserve with respect to each health benefits plan, for use in defraying future rate increases, reducing employee and Government contributions, or, for increasing benefits provided by the plan.

The Commission determines the percentage portions to be set aside for these reserves, subject to statutory maximums of 1 percent for administrative expense and 3 percent for contingency reserves. Since the start of the health benefits program, the Commission has by regulation been setting aside the full 1 percent of contributions as a reserve for its administrative expenses.

The health benefits program was unprecedented and at the outset there was no way of precisely estimating administrative costs. The 1 percent set-aside proved reasonable in initially installing this complex program. However, once the program was installed and functioning smoothly, it became increasingly evident that a continued setting aside of 1 percent would accumulate a sum which would be more than reasonably adequate to meet our administrative expenses. By the close of October 1962 the expense fund had grown to \$5,104,838; we estimate that if it is allowed to accumulate at its present rate the fund will amount to over \$10 million by November 1, 1964.

Several methods for avoiding an unreasonable accumulation in this fund were studied by the Commission, but each was found to have disadvantages. The idea of simply manipulating the percentage of set-aside from time to time had to be rejected because it would have resulted in additional administrative costs. The 1 percent is reflected in each total subscription charge and any change in its amount would require payroll changes for all of the more than 2 million enrolled employees and annuitants. Manipulation of the percentage could be done efficiently only if at the start of a new contract term all plans changed their subscription charges. This has never occurred, and, so far as we can foresee, never will.

The wise and constructive approach, in our judgment, is to maintain the set-aside at 1 percent and allow the Commission authority, as here proposed, to transfer unneeded funds from the administrative expense reserve to the contingency reserves of the various plans on an equitable basis where the funds will be available to benefit employees. The allocation of transferred funds to the plans in proportion to their subscription charges is, we feel, an equitable method.

Allowing the Commission this transfer authority will permit a flexibility in fund management comparable to that achieved under the procedure in effect for the group life insurance program, which has proved eminently satisfactory. Enactment of H.R. 7400 will permit the Commission to immediately reduce the expense reserve to an optimum level and enable us to keep it at that level without periodic adjustment of the set-aside.

I urge favorable consideration of this legislation on the part of your subcommittee.

Let me add, Mr. Chairman, that this legislation would not require any increased costs or increased employment for the Commission.

Mr. Ruddock and I will be pleased to answer any questions you and your colleagues may have with respect to this proposal.

Mr. ROYBAL. You now have in the reserve an expense fund in the amount of \$5 million; is that what you said?

Mr. MACY. Yes, sir.

Mr. ROYBAL. \$5,104,838?

Mr. MACY. That is correct.

Mr. ROYBAL. What would be the optimum level you would maintain for operating purposes?

Mr. MACY. Mr. Chairman, if the proposed legislation were immediately enacted, we would probably transfer virtually the entire \$5 million in accordance with the formula proposed here. The way the administrative funds are now controlled is by an appropriation limitation assigned each year. For example, in fiscal year 1963, there was a congressional appropriation limitation of \$1,101,000 but by the 1 percent accumulation, or from the set-aside, funds amounting to \$3,612,000 were accumulated. There would continue to be a congressional control over the amount of money that could be spent for this purpose, even after the transfer took place.

Mr. ROYBAL. These transfers would be done in proportion to the subscription charges?

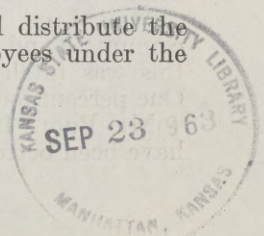
Mr. MACY. That is correct.

Mr. ROYBAL. How does that work? Can you explain that further?

Mr. MACY. Each of the plans has a subscription charge and those charges are met by the employee and the Government making an appropriate contribution in each case. The proportion of subscription charges among the various plans, and I believe there are 37 plans in operation at the present time—the distribution among the 37 plans would be in accordance with the accumulated subscription charges in each of the plans.

We feel this is an equitable method which would distribute the funds in accordance with the elections of the employees under the options they have under the provisions of the act.

Mr. ROYBAL. Questions, Mr. Pool?



Mr. POOL. What would be the percentage? Did you figure out the percentage as to what it actually is? You estimated 1 percent when you set up the plan but what did it actually turn out to be?

Mr. MACY. If you use 1963 as a measure, the percentage is down to somewhere in the neighborhood of one-third of 1 percent.

Mr. POOL. One-third of 1 percent?

Mr. MACY. Yes, sir.

Mr. POOL. How much money is involved? You say you have 2 million employees?

Mr. MACY. There are 2 million employees as subscribers, plus 4 million dependents of employees.

Mr. POOL. How much per year is that? Is that about a dollar a year or something like that?

Mr. MACY. Mr. Ruddock?

Mr. RUDDOCK. This runs roughly 50 cents for every covered employee. When we consider the family, the figure is 16 cents per person per year.

Mr. POOL. What I was thinking about is, and I think you said you thought about reducing the premium—

Mr. MACY. Reducing the set-aside. Under the statute we have the option of setting a lower rate than 1 percent.

Mr. POOL. What would be the average amount per person?

Mr. RUDDOCK. The change could amount to something in the neighborhood of 4 cents per employee per biweekly pay period.

Mr. POOL. How much is it a year, \$2?

Mr. MACY. A little over a dollar. There are 26 pay periods and it would be—

Mr. POOL. About a dollar a year per person?

Mr. MACY. Your figure of a dollar is right on the button.

Mr. POOL. The employees are not concerned with such a small matter and it does not bother the employees, that dollar? You would not refigure it that way?

Mr. MACY. The benefit to the employee would be very small but we would have a lot of unhappy paymasters.

Mr. POOL. It costs a good deal for the changeover?

Mr. MACY. That is right.

Mr. POOL. I wanted that in the record in case any questions come up about it.

Mr. MACY. There would be the administrative expense of making these changes on 2 million pay cards each time there was an adjustment. Consequently, our feeling was that it was better to continue the 1 percent.

Mr. POOL. If you had a similar situation come up again with a new plan or a plan similar to this, it would be helpful to know this percentage figure because it would be better to set it up almost like it should be without requiring this change. If we had known this before, it would have been better to set it up at one-third of 1 percent at the time the plan was set up.

Mr. MACY. It might have, but at the time, in 1959 when this committee and the Senate committee were considering this legislation, this was totally new and there was really no precedent to follow. One percent looked like about the minimum you could include.

Mr. POOL. If we have the advantage of this experience, it would have been better to set it up at one-third of 1 percent?

Mr. MACY. Yes; it would have.

Mr. POOL. I wanted to get that in the record, also. It is good experience for us to know this in connection with some future plan.

Mr. MACY. Right. We feel that, as the administrators of this program and the custodians of this fund, we have an obligation to come back to Congress and report on this and recommend how the statute might be altered in order to give greater flexibility and not to have an excess accumulation for the purpose.

Mr. POOL. I appreciate the statement you made and I agree with you 100 percent that that is the way it should be handled.

Thank you.

Mr. ROYBAL. Mr. Cunningham?

Mr. CUNNINGHAM. Thank you, Mr. Chairman.

As I understand it, the 1 percent contingency fund is more than you need, and you wish to transfer a certain portion of it to the contingency?

Mr. MACY. The contingency funds of each of the benefit plans provided under the act.

Mr. CUNNINGHAM. That is a most refreshing suggestion.

Sometimes we get requests for more money for administration and I am delighted to see this proposal and a recognition of the fact you do not need the money and that you want to put it over into the other fund.

I have said before, Mr. Macy, and I say again, I was on the committee when we enacted this program and I think it is an excellent one, and it certainly has been excellently administered by your Department.

Mr. MACY. Thank you.

Mr. POOL. I want to add for the record also that I would like to congratulate the Civil Service Commission for the administration of this and the fact they have showed a saving and that it can be transferred to this contingency fund.

Mr. MACY. Thank you.

Mr. ROYBAL. May I also compliment you for the very efficient job you have done?

However, I would like to know how many different groups are participating in the plan. How many employee groups are participating and how many in the Blue Cross? Can you give me an approximate figure?

Mr. MACY. The number of participants in each plan?

Mr. ROYBAL. Yes.

Mr. MACY. Mr. Ruddock, can you provide that on a current basis?

Mr. RUDDOCK. Blue Cross, Blue Shield, in rough figures cover 1 million Federal employees.

The Government-wide indemnity benefit plan which is administered by Aetna for the insurance industry has about half a million. The plan of the National Association of Letter Carriers has over 100,000, and from that point they drop down very, very sharply.

Mr. ROYBAL. Thank you. We all thank you.

Mr. MACY. Thank you, Mr. Chairman. We appreciate your hearing us.

Mr. ROYBAL. The next witness will be Mr. John A. McCart, operations director, Government Employees' Council, AFL-CIO.

**STATEMENT OF JOHN A. McCART, OPERATIONS DIRECTOR,
GOVERNMENT EMPLOYEES' COUNCIL, AFL-CIO**

Mr. McCART. Good morning, Mr. Chairman.

Since there seems to be happy agreement over the pending legislation, Mr. Chairman, I think it is in the best interests of the committee that I ask that my formal statement, which has been presented to the committee, be included in the record.

I would like to make just one or two very brief comments.

First, to thank you and your colleagues for arranging this hearing and to express our appreciation to the chairman of the full committee for his sponsorship of this legislation.

Mr. ROYBAL. Without objection, your statement as presented to the subcommittee, will be included in the record.

Mr. McCART. Thank you, Mr. Chairman.

(The statement of Mr. McCart follows:)

STATEMENT OF GOVERNMENT EMPLOYEES' COUNCIL, AFL-CIO

Mr. Chairman and members of the subcommittee, the Government Employees' Council, AFL-CIO, requests favorable action on the bill which is the subject of this hearing. Twenty-five unions representing wage board, classified, and postal employees in the Federal service are members of the council.

Briefly, the bill proposes that funds made available by law for administration of the Health Benefits Act, which are in excess of actual requirements, be distributed among the contingency reserves of the various participating health benefits programs on the basis of previous enrollments.

At the outset, the council desires to commend the Civil Service Commission for its effective and economical administration of this huge program. Despite the manpower and related requirements were quite heavy in launching such an undertaking involving medical coverage of almost 6 million individuals, the Commission has managed the assignment with unusual efficiency. As a result, it has been necessary to use only a part of the funds originally made available for purposes of inaugurating the program.

Logically, H.R. 7400 proposes that the difference between the money actually expended for administration and the funds made available under the Health Benefits Act for this purpose revert to the benefit of covered employees and their families. By crediting the money to the participating plans on a proportionate basis, it can be used to maintain premium rates at their present level or to provide employees with additional benefits. Under the health benefits statute, the participating organizations must maintain adequate reserves to meet unforeseen contingencies. H.R. 7400 would permit the transfer of unused administrative funds to these reserves.

Conceivably, other uses could be found for the administrative surplus. But the benefit to individual policyholders would either be transitory or would result in a very minute saving when distributed among all subscribers. The recommendation for crediting this money to the reserves of the plans the employees have selected will provide a more durable benefit to covered individuals in the future.

For these reasons, we urge the subcommittee to act favorably on H.R. 7400.

In addition to conveying our appreciation to Committee Chairman Tom Murray for his introduction of the measure, we are grateful to the subcommittee for arranging this hearing and the opportunity for us to comment.

Mr. McCART. I do not often find myself in this role. I want to express the commendation of the 25 unions associated with our council for the economical and efficient manner in which the Civil Service Commission has handled this huge program.

As I mentioned in the hearing last Friday morning, there was a necessary note of caution introduced when the legislation was first enacted because it was very difficult to foresee the total impact of it.

There was no precedent for this kind of program so Congress wisely decided to set the limitation on the reserves for both contingencies and administration at a somewhat high level.

Experience has now shown that through the frugality of the administration of the Civil Service Commission it has not been necessary to use all of the funds available for the administration of the program. Chairman Macy has explained the two basic points resulting from the legislation: first, that the excess or surplus administrative funds will be available for transfer to the contingency reserves of the various programs on a proportionate basis; second, that Congress will still maintain control through the necessary appropriations action.

We think the legislation is good. We endorse it, Mr. Chairman, and we appreciate your arranging these hearings and accepting our comments.

Mr. ROYBAL. Can you tell us how many employee groups you represent?

Mr. McCART. Twenty-five, Mr. Chairman.

Mr. ROYBAL. Are there any questions by the committee?

Mr. POOL. Mr. Chairman, I want to compliment the witness for being a very practical person in representing his people in their best interests as well as the Government's. I appreciate the fact that you have conceded a technical point here, perhaps to raise a little Cain you might say, over a very petty sum. It is really refreshing to have a witness come before us like that and I wanted to make that comment.

Mr. McCART. Thank you, Mr. Pool.

Mr. ROYBAL. We thank you very much for appearing before the subcommittee this morning.

The Chair has a statement from Mr. John Griner, president of the American Federation of Government Employees, and a request has been made that his statement be included in the record.

Without objection, the statement will be included in the record.
(The statement follows:)

STATEMENT OF JOHN GRINER, PRESIDENT, AMERICAN FEDERATION OF
GOVERNMENT EMPLOYEES

The proposed change in the Health Benefits Act of 1959 which is provided in H.R. 7400 is desirable. In sponsoring the measure, Chairman Murray of the House Post Office and Civil Service Committee is making it possible to make a procedural change in the law which appears to be to the advantage of the Government and to the participants in the various health benefits plans.

The amendment involves the transfer of unneeded funds from the administrative expense reserve of the Civil Service Commission to the contingency reserves of the various plans. This administrative expense reserve is provided by means of the Commission setting aside 1 percent of the contributions to the fund to cover the expenses of administering the program.

It has become apparent in operating the program that continuance of a set-aside as large as 1 percent is amounting to a sum which is more than is needed to pay the administrative expenses incurred by the Civil Service Commission. Under ordinary circumstances, a smaller proportion of total contributions to the fund may be reasonably earmarked for use in paying operating expenses.

The manner of distributing these excess moneys in the administrative reserve appears to be equitable. It would make it available to the various participating plans in proportion to the subscription charges they have received in the preceding contract term.

The same objective may be obtained in more than one way, but that proposed by H.R. 7400 seems to be the more practical. Making the excess funds available as part of contingency reserves of the health insurance plans might be accom-

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plished by reducing the proportion of the set-aside. However, that would entail extensive changes in the Federal payroll.

The transfer proposed by H.R. 7400 would make the addition to the contingency reserves immediately available to the participating plans. These contingency reserves may be utilized in many ways. They may be used to increase benefits or to reduce the contributions of employees. Thus, such funds may be applied to the operation of the program in a manner directly benefiting the employees whom it is designed to benefit.

To transfer the funds whenever there seems to be an excess above the amount reasonably needed is doing it in a manner analogous to that provided in the management of the life insurance fund. The determination may be made whenever the excess becomes apparent.

The bill H.R. 7400 is needed to improve the operation of the health benefits system and as such should be enacted. The opportunity to testify on this bill, Mr. Chairman, is appreciated.

Mr. CUNNINGHAM. Mr. Chairman, does Mr. Griner support the bill?

Mr. ROYBAL. The statement does support the bill; yes, sir.

Mr. POOL. We have no opposition to the bill, is that correct?

Mr. ROYBAL. There is no opposition to the bill up to this time.

Is there anyone else who would like to testify before the subcommittee?

(No response.)

Mr. ROYBAL. The subcommittee will now adjourn.

(Thereupon, the hearing was adjourned at 10:34 a.m., Monday, August 5, 1963.)

