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# FEW Washington Legislative Update January 16 - 31, 2023

## **In Congress:**

President Joe Biden and House Speaker Kevin McCarthy are set to meet for the first time on Wednesday, February 1, to discuss possible solutions to resolving the impending <u>debt-ceiling crisis</u>.

On January 26, Rep. Gerry Connolly (D-Va.) and Sen. Brian Schatz (D-Hawaii) reintroduced the Federal Adjustment of Income Rates (FAIR) Act in the House and Senate, respectively, to give most civilian employees an 8.7 percent average pay raise next year. Specifically, the bill includes a 4.7 percent across-the-board base pay raise, plus a 4 percent average locality pay increase. The legislation also includes a 4.7 percent raise for prevailing-rate employees.

A bill that would return much of the federal workforce to in-office work arrangements cleared the House on Wednesday, January 25. The Stopping Home Office Work's Unproductive Problems — or "SHOW UP" — Act would return all currently teleworking federal employees who were working in the office prior to the pandemic back to their former work locations. The Republican-led bill passed mostly along party lines in a vote of 221-206. The bill has 26 Republican cosponsors.

## **Diversity, Equity, and Inclusion:**

# A Major IT Skills Gap Exists in Government—Learning From Other Sectors May Help

Despite direct investments into remote work, cybersecurity and digital infrastructure, the federal government still faces challenges in recruiting and retaining a qualified Information Technology (IT) workforce. The major talent shortage in cybersecurity, exacerbated by the pandemic, puts federal agencies at risk.

Emerging technologies that promote government modernization, and the automation of service delivery vital to reach the American public, have created an urgency around bridging the tech talent gap. The federal government also needs a diverse IT workforce, an issue reflected by the burgeoning gender and racial diversity gap among high-growth tech jobs across the country.

# Focus on Career Development and Upskilling:

In a 2021 survey conducted among chief information officers from federal agencies and contractors, 32 percent of respondents agreed that a deepening IT skills gap had a significant impact on their agency's ability to deliver services effectively. Just one year earlier, the Federal Chief Information Officers Council revealed there are 4.5 federal IT professionals aged 60 or older for every IT professional below the age of 30. A lack of skills development has led to stagnation among older workers; the resulting silos in organizations drive new IT recruits to look to private employers for better mobility. A real challenge to attract and retain talent in federal IT positions is that the pay lags 22 percent on average behind the commercial sector.

There's an opportunity to address both issues; federal workers should be provided with upskilling in order to both match their expertise with today's IT demands, and create the upward career growth sought by a newer workforce. In one survey, 73 percent of workers over the age of 45 said that new training helped them to advance their careers.

## **Emphasize Diversity and Access When Hiring:**

Recent workforce research from the National Association of State Chief Information Officers has discussed the theme of diversity, equity and inclusion in hiring practices. According to an April 2022 report, 57 percent of the U.S. workforce is made up of women, but less than one-quarter of technology-related positions are held by women — women of color hold only 4 percent of those roles. In the same report, less than 25

percent of tech professionals reported that people of color were significantly represented in leadership roles in their companies.

Federal agencies must clearly commit to closing the gender and racial gaps in their divisions, at the risk of losing workers to other sectors. Considering that the vast majority of job seekers today view DEI as an important factor for employment, multiple insights also reveal that greater diversity and representation leads to higher-performing teams. Federal leaders should critically assess their workplace for diversity in recruitment practices, measure pay and benefits gaps, and address existing biases. Creating spaces where employees can safely provide feedback to support agencies' DEI mission helps foster inclusion in the workplace and lead to better worker retention.

## Recognize the Value of Quality Non-Degree Credentials:

Current hiring practices create barriers for candidates to apply for IT positions in government, and federal guidelines around degrees and experience often narrow the pool of job candidates. Private employers are far more progressive in developing pathways for workers to attain tech careers in such a high-growth sector, with many companies emphasizing skills over inflated degree requirements to fill open roles. By removing barriers to well-paying jobs, such hiring practices tap into the millions of working-age adults who have at least a high school diploma, but may earn less than \$25,000 a year.

Sector-based training, where people are trained for existing jobs in high-demand sectors that pay well for workers, often without post-secondary degrees, offers an efficient talent solution. Rigorous evaluations of such programs have found lasting, positive impacts on participant earnings and life outcomes. These programs generate transferable skills and credentials, and low program costs reduce employment barriers into tech roles, particularly for women and people of color. This helps to assist in closing the IT talent gap, but also the overall income and diversity gap that exists in tech. Partnerships between training providers and employers, including contractors, create a unique opportunity to produce custom curricula in which current and new members of the workforce are trained, certified, then referred to the open roles where their IT skills are most in-demand.

Widening workforce recruitment to participants of these programs offers a way to begin filling the estimated 700,000 open IT positions across the public and private sector. The federal government needs an agile, robust IT workforce, and the talent gap can be bridged through upskilling, inclusive recruitment practices, and looking beyond degree requirements to qualifying credentials. Emphasizing these elements in workforce

planning can better equip federal agencies with workers who can respond to the changing landscape of technology and security.

Sourced From: (Federal News Network)

# FEW Washington Legislative Update – January 16 - 31, 2023 Tier I

# Who Can and Can't Get Coverage Under Your Health Insurance

Republicans on the House Oversight and Accountability Committee requested answers from the Office of Personnel Management (OPM) about a recent Government Accountability Office (GAO) report that concluded the agency isn't doing enough to minimize the risk of fraud in the Federal Employees Health Benefits program (FEHB).

Since FEHB's inception in 1960, OPM has delegated responsibility to agency employing offices to make eligibility determinations for enrollees and family members. OPM did not require employing offices to review supporting documentation to verify family member eligibility during new hire enrollment or certain qualifying life events until 2021. That, GAO concluded, left FEHB vulnerable to making improper payments.

FEHB covers about 8 million people, but OPM doesn't have a precise estimate of how many of those are actually ineligible members, and at what cost. OPM projected that cost savings from an audit of the program could save \$360 million to \$1 billion in avoided future claims.

It may surprise you to learn that in the following situations, your family members are **not** eligible for FEHB coverage:

- If you have a court order requiring you to provide health insurance for your exspouse.
- If you're a surviving spouse who has remarried and would like to cover your new spouse on your federal health insurance that you receive based on your late spouse's federal service.
- If your elderly parents have moved in with you and need health coverage.

Family members who are eligible for coverage are:

- Your spouse, including a common-law spouse, but only if the marriage was initiated in a state that recognizes such marriages.
- Children under 26, including biological children, stepchildren, adopted children or foster children.
- Children 26 and older who are incapable of self-support, assuming their disabling condition began before age 26.
- Other relatives, such as parents or grandchildren (unless a grandchild qualifies as a foster child), are not eligible for coverage as family members even if they live with you and are dependent on you.

If you have a child who is disabled but have not yet established that fact, contact your agency's human resources office if you are a federal employee or your retirement system (generally OPM) if you are an annuitant. You will need to obtain a form that you and the child's doctor must complete. A child temporarily living with you is not a foster child; neither is one placed in your home by a welfare or social service agency that retains control of the child and pays for maintenance.

If you are a survivor annuitant, remember that self and family enrollment provide coverage for you and all eligible family members of the deceased employee or retiree. If you remarry before age 55, your coverage will end. If your survivor annuity continues because you were married to the deceased for 30 years or more or if you remarry after age 55, your coverage will continue, but it will not cover your new spouse and his or her dependents. If you also receive an annuity as a retiree based on your own federal career, you may be eligible to transfer the enrollment to your retirement annuity to cover your new spouse and his or her eligible children.

Your spouse loses eligibility for coverage under yourself and family enrollment on the effective date of a divorce or annulment of a marriage. A former spouse can continue coverage for up to 36 months after that date, but must pay the full premium (plus a 2 percent administrative charge), with no government contribution.

The FEHB program is vulnerable to improper payments caused by inadvertent errors or fraud and abuse. Remember that if you deliberately cover ineligible family members, you could face criminal charges. Here are a few examples GAO found of employees who were prosecuted for violations of FEHB coverage provisions:

The FEHB program paid more than \$150,000 in claims on behalf of an ex-spouse over 14 years of ineligible coverage from 1993 to 2017 due to the employee misrepresenting the date of their divorce. The enrollee pleaded guilty to making false statements. An employee fraudulently covered two individuals who were ineligible and remained on FEHB health insurance from January 2005 to January 2017. The FEHB program paid claims totaling more than \$100,000 on behalf of the ineligible individuals. The employee pleaded guilty and was sentenced to 24 months of supervised release.

The FEHB program paid more than \$12,000 for services provided to multiple ineligible family members of an employee. In July 2018, the employee pleaded guilty to making false statements relating to healthcare matters, and was sentenced to three years' probation and ordered to pay more than \$12,000 in restitution.

GAO has recommended that OPM implement a monitoring mechanism to identify and remove ineligible family members from the FEHB program. Enrollment of such people increases costs for everyone in the program.

Sourced From: (Government Executive)

# FEW Washington Legislative Update – January 16 - 31, 2023 Tier II

## **Employee and Retiree Benefits Changes for 2023**

#### Federal Employees Health Benefits Program

The annual inflation-adjusted limit on Health Savings Account (HSA) contributions for self-only coverage is \$3,850, up from \$3,650 in 2022. The HSA contribution limit for self plus one or family coverage is \$7,750, up from \$7,300. The adjustments represent a 5.5 percent increase over 2022 contribution limits, whereas these limits rose by 1.4 percent between 2021 and 2022. This amount is reduced if your high deductible health plan provides a contribution to your HSA account.

If both spouses have eligible self-only coverage, each spouse can contribute up to \$3,850 in separate accounts. The ability to make tax-free HSA contributions is the primary advantage of a high deductible health plan. Be sure to fund your HSA if you are eligible and enrolled in a high deductible Federal Employees Health Benefits (FEHB) plan.

# **Federal Long-Term Care Insurance Program**

As of December 19, 2022, the OPM has suspended applications for coverage under Federal Long-Term Care Insurance Program (FLTCIP), in anticipation of substantial premium increases. People not currently enrolled can't apply for coverage, and current enrollees can't apply to increase coverage. The suspension will remain in effect for two years unless OPM decides to end or extend the suspension period.

Some FLTCIP policy premiums are already increasing in 2023. If you're affected, you should have received a notice in the mail in May 2022.

#### Children's Survivor Annuities

Cost of living adjustment rates under the Civil Service Retirement System (CSRS) apply to children's survivor annuity benefits regardless of whether the parent who provided the benefit was covered under CSRS or the Federal Employees Retirement System (FERS). However, under FERS, children's benefits are offset by benefits payable under Title II of the Social Security Act. In most cases, the Social Security benefit will exceed the FERS benefit, meaning the child would not get a FERS benefit.

The following rates apply from December 1, 2022, through November 30, 2023:

When the child has a living parent, who was married to the deceased employee or retiree, the benefit is the lesser of \$635 per month per child or \$1,905 per month divided by the number of eligible children (if more than three).

When the child has no living parent who was married to the deceased employee or retiree, the benefit is the lesser of \$763 per month per child, or \$2,289 per month divided by the number of eligible children (if more than three).

# **Retirement Savings**

Changes to retirement savings limits and adjustments include:

- The limit on annual contributions to an individual retirement account has increased to \$6,500.
- The IRA catch-up contribution limit for individuals age 50 and over is not subject to an annual cost-of-living adjustment and remains \$1,000.

- The phase-out ranges for deducting contributions to a traditional IRA have increased. The income phase-out range for people making contributions to a Roth IRA will increase for taxpayers filing as single, head of household, and married filing jointly. IRS Notice 2022-55 provides more details.
- The income limit for the retirement saver's credit for low and moderate-income workers is now \$73,000 for married couples filing jointly; \$54,750 for heads of household; and \$36,500 for singles and married individuals filing separately.

Sourced From: (Government Executive)

# FEW Washington Legislative Update – January 16 - 31, 2023 Tier III

# <u>President Biden to Sign Presidential Memorandum on Ensuring Safe Access to Medication Abortion</u>

Earlier this month, the Food and Drug Administration (FDA) took evidence-based action to support safe access to mifepristone by allowing the continued use of telehealth to prescribe the medication and creating a new option for certified pharmacies to dispense it to patients.

Some state officials have taken steps to try to prevent women from legally accessing medication abortion and to discourage pharmacies from becoming certified by the FDA.

In the face of barriers to medication abortion and concerns about the safety of patients, healthcare providers, and pharmacists, the Presidential Memorandum announces actions to:

**Protect Legal Access to Medication Abortion.** The Presidential Memorandum directs the Secretary of Health and Human Services (HHS), in consultation with the Attorney General and the Secretary of Homeland Security (DHS), to consider new guidance to support patients, providers, and pharmacies who wish to legally access, prescribe, or provide mifepristone—no matter where they live.

Safeguard Patient Safety and Security. To ensure that patients understand their right to access reproductive healthcare despite roadblocks, the Presidential Memorandum directs the Secretary of HHS, in consultation with the Attorney General and the Secretary of DHS, to consider new actions to ensure that patients can access legal reproductive care, including medication abortion from a pharmacy, free from threats or violence. The President has long made it clear that people should have access to

reproductive care free from harassment, threats, or violence. Pharmacies should be treated no differently.

The Attorney General and the Secretaries of HHS and DHS will also provide recommendations to the White House Interagency Task Force on Reproductive Healthcare Access, which was established by President Biden in Executive Order 14076, on additional ways to address barriers faced by patients, providers, and pharmacies in safely and legally accessing or providing medication abortion, consistent with evidence-based requirements set by the FDA.

Sourced From: (The White House)

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