



1629 K Street NW, Suite 300 Washington, DC 20006 Phone: 202/898-0994 Fax: 202/898-1535

FEW Washington Legislative Update March 1 - 15, 2023

In Congress:

On Wednesday, March 1, Florida Governor Ron DeSantis endorsed the revival of a <u>Trump-era initiative</u> aimed at stripping tens of thousands of federal employees of their civil service protections under Schedule F.

On Tuesday, March 7, Senator Brian Schatz, D-Hawaii, and Representative Derek Kilmer, D-Wash., reintroduced the Federal Employees Civil Relief Act (S. 640). The bill, first introduced in 2019 amid the 35-day partial government shutdown, protects federal workers and contractors from a variety of civil financial penalties during a lapse in appropriations or a breach of the debt ceiling.

On Wednesday, March 8, the House of Representatives voted to give itself a streamlined way to fire civil servants and shut down federal programs. This method, known as the Holman rule, has been used in the past by both parties to cloak political decisions in the language and process of saving taxpayers money. It was included in a package of rules approved as the House began its business in January.

Diversity, Equity, and Inclusion:

Reports of Federal Race, Sex, and Age Discrimination are on the Decline

Federal employees' experience with prohibited personnel practices is on the decline. About 29 percent of federal employees reported seeing at least one prohibited personnel practice in the workplace. Those include things like discrimination and whistleblower retaliation. That is according to the latest report from the Merit Systems

Protection Board (MSPB). The 29 percent is a decrease since 2016, when 46 percent of feds said they either saw or experienced a prohibited practice, as well as 34 percent in 2010. MSPB said feds perceive some types of prohibited personnel practices more often. For example, federal employees reported seeing discrimination most often based on race, sex, and age, in that order.

President Joe Biden's pick to run the Internal Revenue Service (IRS) is heading for a Senate floor vote. The Senate Finance Committee approved Danny Werfel to serve a five-year term as IRS commissioner. Werfel previously served as controller at the Office of Management and Budget (OMB), as well as acting IRS commissioner during the Obama administration. If confirmed, Werfel said he would help the IRS spend some of the \$80 billion received under the Inflation Reduction Act to make the agency more accessible to taxpayers with questions.

An independent commission led by two former Defense secretaries said the nation's criminal justice system needs better tools to identify and support veterans when they are arrested to deal with their unique needs. The Veterans Administration (VA) has databases meant to do just that, but a new report by the Veterans Justice Commission said state and local police almost never use them. The commission was led by former secretaries Chuck Hagel and Leon Panetta.

The demand for Freedom of Information Act (FOIA) requests reached a record high in fiscal 2022. Agencies saw 928,353 incoming requests, according to annual FOIA reports published this year. Agencies also processed a record 878,420 requests last year. The Department of Homeland Security alone accounted for more than 542,000 requests received and more than 500,000 requests processed in fiscal year 2022.

The Biden administration is trying to give federal watchdogs more time and money to tackle COVID-19 fraud. The White House is asking Congress for \$1.6 billion to help agency inspector generals and federal law enforcement staff up to handle pandemic fraud claims. The spending would allow the Justice Department to triple the number of strike force teams focused on going after COVID fraud led by criminal syndicates and major fraudsters. The White House is also calling on Congress to double the statute of limitations to prosecute unemployment insurance fraud cases from five years to 10 years. The White House said it would currently take agencies decades to prosecute their current caseload with existing resources.

New legislation would create tax benefits for businesses that hire military spouses. The legislation was introduced by a bipartisan group of congressmen including Don Beyer (D-Va.), Jimmy Panetta (D-Calif.), Mike Kelly (R-Pa.) and John Carter (R-Texas). The

Military Spouse Hiring Act would also allow military spouses to qualify for the Work Opportunity Tax Credit. The Senate introduced a companion bill along similar lines. (Bipartisan, Bicameral Delegation Introduces Legislation to Boost Hiring Of Military Spouses - Rep. Don Beyer (D-VA))

The Air Force is loosening its tattoo policy as part of a change in standards for future recruits. As part of this broader effort to increase recruitment numbers, the service will now allow chest and back tattoos, as long as they can't be seen when in uniform. Some hand tattoos are allowed, as well as one neck tattoo no bigger than an inch that stays behind the ears. The Air Force is also considering lowering body fat standards and increasing enlistment bonuses.

A longtime federal Information Technology (IT) leader has a new home. Gerald Caron is now the Chief Information Officer (CIO) at the International Trade Administration. Caron was previously CIO for the Office of the Inspector General at the Department of Health and Human Services. He began his public service in the Army and served in various technical roles at the State Department as well. At the International Trade Administration, Caron will oversee the IT needs of about 2,200 employees spread across 100 U.S. cities and 80 international markets.

The U.S. Department of Agriculture (USDA) has a new leader taking the reins on diversity, equity, inclusion, and accessibility (DEIA). USDA has named L'Tonya Davis as its first permanent Chief Diversity and Inclusion Officer (CDIO). Davis will be the new lead on implementing the department's strategic plan for DEIA. The CDIO position is responsible for working with other department leaders to include DEIA initiatives in USDA's overall goals. Davis previously served as Director of the Food and Drug Administration's Office of Communications and Project Management.

The Biden administration is calling on agencies to give text notifications a try as a way for members of the public to receive critical updates on their government benefits. That is one of several new interagency projects the administration is launching as part of its executive order on improving federal customer experience. The White House has directed agencies to focus on working together to improve several life experiences, like raising a child in a low-income house and transitioning out of active-duty military service.

Sourced From: (Federal News Network)

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Feds Can Expect to See Improved Fertility Coverage from FEHB Plans in 2024

The Office of Personnel Management (OPM) released their annual carrier call letter earlier this month, outlining the goals and initiatives federal employees can see from Federal Employees Health Benefits (FEHB) plans in 2024. One of the biggest changes is fertility coverage. From the OPM call letter:

- Carriers are required to provide coverage of artificial insemination (intrauterine insemination - IUI, intracervical insemination - ICI, and intravaginal insemination -IVI).
- Carriers are required to cover drugs associated with artificial insemination procedures.
- Carriers are required to cover the cost of In Vitro Fertilization (IVF)-related drugs for three cycles annually.

The impact: These 2024 changes represent an expansion of fertility benefits compared to what was available this year.

All FEHB plans currently cover the diagnosis and treatment of infertility, but most do not cover assisted reproductive technologies (ART) and often have a long list of other fertility services that aren't covered.

There are exceptions, however. Where available, most existing FEHB fertility coverage comes from HMO plans in states that have state-mandated fertility coverage. Currently, there are 20 states that mandate some form of fertility coverage, including Arkansas, California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Louisiana, Maine, Maryland, Massachusetts, Montana, New Hampshire, New Jersey, New York, Ohio, Rhode Island, Texas, Utah, and Virginia.

HMO plans in those states usually cover one or two artificial insemination procedures and sometimes cover fertility drugs, but rarely cover IVF.

The full picture: Any fertility benefit expansion is welcome news and a step in the right direction. But keep in mind a large portion of expenses will still be paid entirely out-of-pocket. The cost of one IVF cycle can range from \$15,000 to \$30,000, with fertility drugs accounting for only 35 percent of the total cost.

Additionally, several ART procedures do not have required coverage, including In Vitro Fertilization (IVF), Embryo Transfer and Gamete Intrafallopian Transfer (GIFT), and Zygote Intrafallopian Transfer (ZIFT). Also missing are the cost of donor sperm, donor egg, donor embryo, or cryopreservation.

What to watch for: Families looking for fertility coverage in 2024 will need to consider their total healthcare costs and each FEHB plan's benefit structure to find what meets their needs. Depending on the plan, you'll see different cost-sharing arrangements—fixed co-pays compared to coinsurance, and whether fertility benefits are provided before or after the deductible. There might also be benefit maximums or number of attempts that differ from plan to plan.

OPM is also encouraging plans to offer fertility benefits above and beyond what is required, including discounted rates for ART procedures that are not covered. Last year, OPM made the same recommendation and a handful of plans did comply, including the Foreign Service Benefit Plan, Indiana University Health Plan, and University of Pittsburg Medical Center (UPMC) Standard and High-Deductible Health Plan (HDHP.)

Some ways to save: Even with this benefit expansion, families will still face thousands of dollars of out-of-pocket expenses for fertility procedures. There are two ways to save:

Flexible spending accounts (FSA) – Only about 20 percent of active federal employees has an FSA. This year, families can contribute up to \$3,050 to an FSA, which is funded with pre-tax dollars through payroll deductions and amounts to about a 30 percent savings on healthcare expenses paid with the account. FSAFEDS manages the program, and if you don't have an FSA, you can sign up during FSA Open Season, which shares the same dates as the 2024 FEHB Open Season: November 13 through December 11.

Health Savings Accounts (HSA) – High-Deductible Health Plans (HDHP) provide an HSA, which has a higher contribution maximum than an FSA. Between the family and the HDHP, the HSA contribution limit this year is \$7,750. Voluntary contributions made to the HSA lower your taxable income in the same way as an FSA, and you'll save about 30 percent on your healthcare expenses when you use your HSA.

HDHPs tend to have lower premiums than many other plan types, but you'll pay the allowed charge from the plan for all healthcare expenses before you meet the annual deductible. To help offset out-of-pocket expenses before the deductible, HDHPs,

through premium reimbursement, will fund your account with anywhere from \$1,500 to \$2,400 per year, depending on the plan.

Families needing fertility coverage will get some help from FEHB plans in 2024. Compared to existing fertility benefits, this is a significant expansion. However, even with FSAs and HSAs, families will still experience high levels of out-of-pocket expenses.

Pay close attention to fertility benefits offered by plans this fall. Expect to see differences in how you'll pay and if there are benefit maximums or limits on the number of attempts.

While fertility benefits can be the most expensive predictable out-of-pocket expense you'll have next year, make sure also to consider how a plan will cover your other known healthcare expenses and protect you from what you can't predict.

Sourced From: (Government Executive)

FEW Washington Legislative Update – March 1 - 15, 2023 Tier II

Biden Officially Proposes an Average 5.2 Percent Pay Increase for Federal Workers and the Military in 2024

President Biden officially proposed a 5.2 percent average pay raise for both civilian federal employees and military service members next year as part of his fiscal 2024 budget plan released Thursday, March 9.

The figure marks an increase over the 4.6 percent pay hike feds received in 2023 and would be the highest proposed pay hike federal workers have seen since the Carter administration implemented a 9.1 percent average pay increase in 1980. The budget documents released Thursday do not specify what portion of the raise will be dedicated to across-the-board increases in basic pay, although traditionally presidents have set aside 0.5 percent of an overall pay raise figure for average boosts in locality pay.

The White House highlighted the pay raise as part of its effort to ensure the federal government is "equitable, effective and accountable" and better delivers services to the American people by helping agencies compete for talent.

"Federal agencies are focused on attracting more people to federal service over the long term, while also addressing immediate agency hiring needs to rebuild capacity," administration officials wrote. "[The] budget provides an average pay increase of 5.2 percent for civilian and military personnel—and answers the president's call for agencies to lead by example in supporting federal worker organizing and collective bargaining."

Sourced From: (Government Executive)

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FACT SHEET: President Biden's Budget Advances Equity

The President's Budget builds on that progress by making historic investments to support underserved communities and combat racial disparities across the Nation, including in health, education, and economic opportunity.

Expands Access to Quality, Affordable Health Care. The Budget invests \$150 billion over 10 years to improve and expand Medicaid home and community-based services, such as personal care services, which would allow older Americans and individuals with disabilities to remain in their homes and stay active in their communities as well as improve the quality of jobs for home care workers. And because community health centers—which provide comprehensive services regardless of ability to pay—serve one in three people living in poverty and one in five rural residents, the Budget puts the Health Center Program on a path to double its size and expand its reach. To bolster the healthcare workforce, the Budget provides a total of \$966 million in 2024 to expand the National Health Service Corps, which provides loan repayment and scholarships to healthcare professionals in exchange for practicing in underserved areas, and a total of \$350 million to expand programs that train and support the nursing workforce.

Supports Survivors of Domestic Violence and Other Forms of Gender-Based Violence. The Budget proposes significant increases to support and protect survivors of gender-based violence, including \$519 million for the Family Violence Prevention and Services (FVPSA) program to support domestic violence survivors—double the 2023 enacted level. This amount continues funding availability for FVPSA-funded resource centers, including those that support the LGBTQI+ community. The Budget would provide additional funding for domestic violence hotlines and cash assistance for survivors of domestic violence, as well as funding to support a project evaluating

services for survivors at the intersection of housing instability, substance use coercion, and child welfare. In addition, the Budget would provide over \$66 million for victims of human trafficking and survivors of torture, an increase of nearly \$17 million from the 2023 enacted level.

Expands Access to Affordable, High-Quality Early Child Care and Learning. Too many families across America cannot access high-quality, affordable childcare—preventing parents from working and holding back our entire economy. The President's Budget enables states to increase childcare options for more than 16 million young children and lowers costs so that parents can afford to send their children to high-quality childcare. The Budget also funds a Federal-State partnership that provides high-quality, universal, free preschool to support healthy child development and ensure children enter kindergarten ready to succeed. The Budget provides \$22.1 billion for HHS's existing early care and education programs, an increase of \$2.1 billion over the 2023 enacted level, which includes \$9 billion for the Child Care and Development Block Grant to expand access to quality, affordable childcare for families across the Nation. In addition, the Budget helps young children enter kindergarten ready to learn by providing \$13.1 billion for Head Start, an increase of \$1.1 billion over the 2023 enacted level.

Expands Workforce Training and Career-Connected Learning that Provide Pathways to Good Jobs. The Budget invests in evidence-based training models to ensure all students and workers—including women, workers of color, and workers in rural areas—have the skills they need for the good jobs being created by the President's historic legislative accomplishments. The Budget provides mandatory funding to expand free community college and includes a \$500 million discretionary program focused on free tuition for in-demand job training programs. The Budget invests \$335 million in Registered Apprenticeship to provide debt-free pathways to careers in construction, clean energy, semiconductor manufacturing, and other indemand industries. The Budget also provides \$200 million for the new Sectoral Employment through Career Training for Occupational Readiness (SECTOR) program. which will support the development and expansion of public-private partnerships to equitably deliver high-quality training in growing industries, and invests \$100 million to help community colleges partner with employers and the public workforce system to design and deliver effective training models in communities across the Nation. Finally, the Budget provides \$200 million to better connect high schools to employers and community colleges through dual enrollment, work-based learning, and career advising.

Provides National, Comprehensive Paid Family and Medical Leave. The vast majority of America's workers do not have access to paid family leave, including three out of four private sector workers. Among the lowest-paid workers, who are predominately women and workers of color, 92 percent have no access to paid family

leave through their employers. The Budget proposes to establish a national, comprehensive paid family and medical leave program, providing up to 12 weeks of leave to allow eligible workers to take time off to care for and bond with a new child; care for a seriously ill loved one; heal from their own serious illness; address circumstances arising from a loved one's military deployment; or find safety from domestic violence, sexual assault, or stalking.

Calls for Paid Sick Leave for All Workers. Millions of workers in America have to choose between a needed paycheck and taking care of a family member or themselves when they are sick. Workers without paid sick days are more likely to go to work when sick, send their children to school when sick, and do without the healthcare they need to get better. Paid sick days are good for business, leading to lower employee turnover and increased productivity, and reducing the spread of contagious diseases. The President calls on Congress to require employers to provide seven job-protected paid sick days each year to all workers and ensure that employers cannot penalize workers for taking time off to address their health needs, the health needs of their families or to seek safety from domestic violence, dating violence, sexual assault, or stalking.

Prioritizes Efforts to End Gender-Based Violence. The Budget proposes \$1 billion to support the implementation of programs through the Violence Against Women Act of 1994 (VAWA), which was recently reauthorized and strengthened in 2022. This is a \$300 million or 43-percent increase over the 2023 enacted level, which was the highest funding level in history. The Budget funds new VAWA programs to address online abuse and provides substantial increases for longstanding VAWA programs, including key investments in legal assistance for victims, transitional housing, and sexual assault services. In addition, the Budget provides \$120 million, an increase of \$65 million above the 2023 enacted level, to the Office of Justice Programs for the Sexual Assault Kit Initiative to address the rape kit backlog, and for the Regional Sexual Assault Investigative Training Academies Program.

Sourced From: (The White House)

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