

**Congress of the United States**  
**Washington, DC 20515**

July 22, 2016

Acting Director Beth F. Cobert  
U.S. Office of Personnel Management  
1900 E Street, NW  
Washington, DC 20415-1000

Dear Acting Director Cobert:

As representatives of the National Capitol Region, we represent a disproportionate share of the enrollees in the Federal Long Term Care Insurance Program (FLTCIP). We write to express our concern about the extreme increase in premiums as part of the contract renewal for the FLTCIP. The cost of the insurance is expected to increase by an average of 83%, or \$111 a month, with some enrollees experiencing increases of up to 126% starting November 1<sup>st</sup>. This will impact over 264,000 enrollees.

For those on a fixed or limited income, such an increase is simply unaffordable. By comparison, the last time OPM awarded the seven-year contract to John Hancock Life and Health Insurance Company, premiums rose on average 17%, with some as high as 25%. It merits a reconsideration of how we structure FLTCIP so that price spikes at this extreme can be avoided.

Moreover, the Enrollee Decision Period of July 18 through September 30<sup>th</sup> is concerning given the short duration for a purchasing population whose average age is 60. Medicare, by comparison, has a three month enrollment period.

We respectfully request your response to the following questions:

1. What accounts for the significant increase in premiums and how is that being calculated?
2. What outreach or support is being offered to enrollees beyond mailing letters?
3. Please identify ways you are working with enrollees to make these price spikes more affordable. For example, is OPM or John Hancock considering graduated premiums without a dramatic decrease in coverage?
4. Are annual benchmarks incorporated to ensure that the actuarial projected value matches the actual value? If not, why?

We look forward to your response. It is of grave concern and urgency to our constituents to have answers before the decision period ends.

Sincerely,

  
Donald S. Beyer Jr.  
Member of Congress

  
Gerald E. Connolly  
Member of Congress