



MEMORANDUM

TO: Interested Parties
FROM: Jon McHenry and Whit Ayres
DATE: March 4, 2010
RE: Survey of Civilian Federal Employees in the Washington Metropolitan Area
Regarding the FEHBP Drug Benefit

The survey of 305 civilian federal employees in the Washington DC metro area, conducted February 24-March 2, 2010 with a margin of error of plus-or-minus 5.61 percent, shows that these employees are overwhelmingly satisfied with their current benefits program overall and similarly satisfied with their prescription drug benefits in particular.

These results suggest that members of Congress intent on changing the benefits package are searching for a solution to a problem that does not exist. During testimony on the participation of pharmacy benefit managers, or PBMs, on Capitol Hill, Representative Stephen Lynch stated that Congress should “blow up” the current system, “get rid of it, and move on to a different system.” But when asked if they agree or disagree with that statement, these federal employees *disagree by an overwhelming 84 to 10 percent margin.*

Other key findings of the survey are:

- 1. Civilian federal employees in the DC metro area are overwhelmingly satisfied with the Federal Employees Health Benefits Program, and with their prescription drug coverage.** These federal employees say they are satisfied with the prescription drug program by an 83 to 14 percent margin.
- 2. These employees overwhelmingly prefer a benefits system that has no price controls but greater choice to a system that offers fewer choices but has the government set prices.** Civilian federal employees in the DC area prefer the “current FEHBP system which offers more choices but the government does not set prices” to a “system like some other government programs, which offer fewer choices but has the government set prices” by a 74 to 22 percent margin.
- 3. DC area civilian federal employees think the Office of Personnel Management does a good job of making sure the FEHBP offers health benefits that are as good as those offered in the private sector, and think Congress should leave the OPM in charge of their benefits.** These employees think the OPM does a good job in this regard by a 78 to 13 percent margin. Employees think Congress should leave the OPM in charge of any changes to the FEHBP, rather than Congress being in charge of those changes, by a 74 to 25 percent margin.

4. These employees think Congress should allow federal employees to choose the plan that works best for them regardless of whether the plans are owned by pharmacy chains or health plans. When asked whether “Congress should pass a law prohibiting prescription drug plans from participating in federal employees programs if they are owned by pharmacy chains or health plans” or “Congress should allow federal employees to choose the plan that works best for them, regardless of whether they are owned by pharmacy chains or health plans,” federal employees prefer maintaining the choice for themselves by an 86 to 12 percent margin.

5. A majority of federal employees agree that Congress will hurt the quality of their benefits if it takes more of a role in regulating their benefits, and think Congress should make any changes to Congress’ own plan before applying changes for all federal employees. These civilian federal employees think Congress will hurt rather than help their benefits if it becomes more involved in regulating their benefits by a 60 to 24 percent margin, and agree that Congress should make changes to its own plan first by a 90 to 8 percent margin.

With all the important health care reform issues facing Congress today, making changes to a program with a 95 percent satisfaction rating would seem to be very low on the priority list. And civilian federal employees are overwhelmingly opposed to changes restricting their choices of prescription drug benefit plans.