

## Employees Face Big Hike in Health-Care Costs

By Steve Vogel

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Federal government employees can expect a big jump in their health-care costs in 2010, officials said Tuesday.

Employees enrolled in the Federal Employees Health Benefits Program will pay an average 8.8 percent more in health-care costs, according to figures released by the Office of Personnel Management.

The increase averages \$5.98 per paycheck for individual health-care coverage, and a \$12.87 increase for employees whose plans cover families, the OPM said. The increase compares with a 7.9 percent jump in 2009 and a 2.9 percent increase in 2008, according to the OPM.

"An 8.8 percent increase is not an increase that we feel comfortable with," Nancy Kichak, OPM associate director for strategic human resources policy, told reporters. "It's not one that we would like to see our enrollees bear, but unfortunately we're a victim of the market."

Blue Cross Blue Shield rates will increase 15 percent for self-only coverage and 12 percent for family coverage, the company said. Enrollees will have to pay more thanks to a wider range of benefits and the company's wide network of providers, said Jena Estes, vice president of Blue Cross Blue Shield's federal employee program. The average age of program participants is 62, an older pool that requires more complex medical care.

"That tends to drive the cost up," Estes said. Despite the price increase, Blue Cross enjoys a 97 percent retention rate among participants and plans to launch more wellness programs next year to promote healthy living.

"We have a very strong commitment to managing the costs and managing that trend. You'll see a real strong focus on coordinating the care and managing the total care," Estes said.

"This is an enormous increase that erodes federal employees' standard of living," Colleen M. Kelley, president of the National Treasury Employees Union, said in a statement. "Affordable health care is essential in attracting and retaining a stable, high-quality workforce."

The American Federation of Government Employees expressed "grave concern" at the news. "FEHBP is getting more and more unaffordable for more people," said Jacqueline Simon, AFGE public policy director.