

For Immediate Release

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Health Plan Comparison Tool Ready to Help Millions of Federal Employees and Retirees Choose Best Plans During Open Season; Most People Can Save \$2,000 or More

Checkbook's Guide to Health Plans Gives Easy-to-Use Comparison of Plans on Total Cost for the Consumer, Risk of Very High Costs in Bad Years, Plan Quality, and Doctor Availability; Many Agencies Provide Free Access for Employees

FEHB Open Season for 2023 Plans Is Nov. 14-Dec. 12, 2022

WASHINGTON—Nov. 14, 2022— Federal Employee Health Benefits premiums are rising 8.7% on average in 2023, the largest increase in the last 10 years. This year it's more important than ever for employees and annuitants to re-evaluate their current plans and consider less expensive options. There is help available: Nonprofit *Consumers' Checkbook* today released its annual *Guide to Health Plans for Federal Employees*, which as in prior years, indicates many popular plans may not be the best choices for coverage. The *Guide* shows that **most federal employee and retiree families can save \$2,000 or more** if they make any of several choices that rank high in the *Guide* without sacrificing high-quality service or protection against catastrophic healthcare costs.

The *Guide*, available at [GuideToHealthPlans.org](https://www.GuideToHealthPlans.org) (**MEDIA CREDENTIALS—user: 2023FEHB password: healthplans**), and in print, is the only source of Open Season information that tells all employees and retirees, both with and without Medicare, how much money they can expect to save—considering both premiums and out-of-pocket costs—by changing health-care plans. Only the *Guide* estimates likely costs under each FEHB plan. Federal employees have relied on the *Guide* to make smart decisions about their health-care coverage for more than 40 years.

The *Guide* is the only source that compares all dental benefits, both in FEDVIP dental plans and in health plans, and shows how much money can be saved under each. And it is the only source that incorporates "premium conversion" tax savings into its estimates, and that adjusts claimed catastrophic expense limits for gaps and loopholes.

Users in the Washington, D.C. area will also be able quickly to see in which plans their personally preferred doctors participate. Also, the *Guide's* "Ask the Expert" feature makes it the only comparison tool that offers detailed advice and money-saving tips on plan selection and on pitfalls to avoid.

Highlights from Checkbook's 2023 Guide to Health Plans for Federal Employees:

- *Checkbook's Guide* helps all enrollees compare the new plans in the program, helps enrollees compare major changes in plan benefits or premiums, and helps new retirees and new employees.
- FEHB premiums are rising 8.7% on average in 2023, the largest increase in the last 10 years. The increase was not uniform. Some plan premiums increased almost 50%. Some plan premiums decreased 30%. This year it's more important than ever for employees and annuitants to re-evaluate their current plan and consider less expensive plan options.
- The *Guide* shows that many HMOs and PPOs, most Consumer-Driven and High Deductible plans, four GEHA plans, and two Blue Cross plans can save a family \$2,000 or more a year, compared to

the higher-cost plans. A prudent decision can save a family \$10,000 or more over a five-year period.

- Annual costs are lower in some local plans than in national insurance plans. For example, the *Guide* shows that several DC-area plans — including three Kaiser options, UnitedHealthcare High Deductible plan, and CareFirst High Deductible plan — will save an average family \$2,000 or more compared to the one of the most popular plans, Blue Cross Standard.
- The *Guide's* ratings show that Consumer-Driven and High Deductible plans offer employees substantial savings over almost all traditional insurance plans, and that these plans protect enrollees against high costs as well or better than most other plans. Savings for families in several more popular plans will average \$2,000 or more when switching to some of these plans, such as those sponsored by MHBP, NALC, GEHA, APWU, and Aetna.
- Some plans have been less likely than others to be involved in claims disputes with their enrollees. For example, the Blue Cross and NALC plans have only about two to four disputed claims for each 10,000 enrollees, whereas some other plans have dispute rates more than twice that.
- How much the better-buy plans save varies substantially depending on the age, family size, retirement status, and other facts about the enrollee. The Kaiser HMO Prosper and Standard options, the CareFirst, MHBP and NALC High Deductible and Consumer-Driven options, the Blue Cross Basic and FEP Blue Focus options, and the GEHA Elevate and High Deductible options will save a retired couple without Medicare, on average, \$3,000 or more compared to the most popular retiree plan, Blue Cross Standard option.
- The Guide also shows the effects of Medicare Part B enrollment on both premium and out-of-pocket costs to annuitants. Plans have three ways to reduce annuitant costs: by paying most or all the Part B premium, by providing a “wrap around” benefit that reduces out-of-pocket costs, and by doing either or both by enrolling annuitants in a Medicare Advantage plan designed for federal annuitants. Plans that reduce cost the most through a combination of these methods include many Kaiser, United, and Aetna plans. Other plans with major savings include NALC high option, Compass Rose standard option, Foreign Service, and SAMBA standard option.

About the *Guide to Health Plans for Federal Employees*:

- *The Guide* evaluates about 20 health plan options available to all federal employees and retirees, the several plans that restrict enrollment to foreign affairs or other categories of employees, and about 250 plans available only in specific geographic areas. The *Guide* also evaluates both standalone dental and vision plans and dental benefits in health plans.
- *The Guide is the only plan comparison tool that uses extensive population health-care-usage data to make “insurance value” comparisons among plans taking into account the costs and probabilities of high health-care-usage years for someone with the same age, family size, health status, and other characteristics as the comparison tool user--so that consumers will know how to protect against costly expenses they cannot predict.*
- The *Guide* presents its ratings based on which benefits are tax-preferred, which plans coordinate best with Medicare, which plans work best for singles, large families, or the elderly, and which plans work best whether health care usage is low, average, or high.
- For retirees, the *Guide* presents separate ratings that consider their higher medical bills, their enrollment (or not) in Medicare, and other key factors.
- The *Guide* shows employee estimates in after-tax dollars, so that employees eligible for "Premium Conversion" can estimate their savings based on their actual costs after the savings from this tax preference. But for those who can't claim this tax preference, especially retirees, the *Guide* presents the correct “bottom line” premium and maximum out-of-pocket costs.

- The *Guide* uniquely looks out for consumers. For example, it is the only online comparison source that cuts through plans' stated insurance limits on what enrollees could pay in the worst case and adjusts for loopholes and gaps in these claimed guarantees.
- The *Guide* presents not just numeric comparisons, but also in-depth advice on which plan choice strategies are likely to work best for families in different situations or facing unique insurance problems.
- The *Guide's* expert comparisons and ease of use have made it a model for what is needed to help consumers compare plans in Health Insurance Exchanges. In fact, Consumers' Checkbook is working with several states to provide similar plan comparison tools (available at HealthPlanRatings.org) and has won two major national competitions as the best tool for consumers available in state exchanges.

Many Government Agencies Provide Employee Access to www.GuideToHealthPlans.org

Because federal agencies pay on average more than two-thirds of plan premiums, agencies can save a great deal of money by helping employees make sensible plan choices that lower premium costs. Checkbook estimates that, on average, agencies save about \$2,000 for every employee who follows *Guide* advice and switches from one of the dozen highest-cost plans to one of the dozen lowest-cost plans. Recognizing that both agencies and employees gain from smart Open Season choices, many agencies or agency bureaus provide free access to all employees. To find out whether their agency or bureau has subscribed and how to access the *Guide*, employees should visit GuideToHealthPlans.org. Agency managers at any level need not depend on central office action and can provide this benefit directly to their bureau or component at minimal cost.

How Individuals and Agencies Can Order the *Guide to Health Plans*

Federal agencies can subscribe to the online *Guide* for their employees by calling 800-213-SAVE. Individuals in agencies that do not subscribe can subscribe for themselves to the online version of *Checkbook's Guide to Health Plans for Federal Employees* for \$13.95 at GuideToHealthPlans.org. Single copies of the printed *Guide* are \$26.95, including shipping. Orders can be placed online or by calling 800-213-SAVE.

About the Authors of the *Guide to Health Plans*

Checkbook's Guide to Health Plans for Federal Employees is written by Walton Francis and the editors of *Consumers' Checkbook* magazine and Checkbook.org. The *Guide* is published by Consumers' Checkbook, a nonprofit organization that also publishes *Checkbook* magazine and its online companion, Checkbook.org. Checkbook, which rates auto repair shops, hospitals, plumbers, veterinarians, banks, doctors, and many other services, has localized versions in seven metro areas (Washington, D.C., San Francisco, Boston, Philadelphia, Chicago, Twin Cities, and Seattle-Tacoma).

Interviews Available

Authors of the *Guide* are available for interview at your request. Please contact Jamie Lettis, public relations director, at jlettis@checkbook.org or 202-454-3006 for more information.

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