



**NATIONAL ACTIVE & RETIRED FEDERAL EMPLOYEES ASSOC.
CHAPTER #108 - CHATTANOOGA, TN**

June 1, 2007

Elmer Gillespie, President - 894-1606

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NEXT MEETING - Friday, June 8, 2007, at Wally's Restaurant, Ringgold Road at 1-75, East Ridge. This will be a luncheon meeting starting at 12:00 noon. All members, prospective members and visitors are invited. Order from the menu or enjoy the buffet. (Eat at 11:30.)

PROGRAM - At press time, efforts are being made to arrange for a guest speaker. Should these efforts fail, we will discuss chapter activities and goals. Suggestions for future programs are sought from chapter members. Calls on this subject will be welcomed by chapter President **Elmer Gillespie**, (894-1606).

COLA - The Labor Department's Bureau of Labor Statistics (BLS) reported that the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for April 2007 was 202.1, up 0.8 percent from the March index of 200.6. The CPI-W for April is 1.5 percent higher than the 2006 Third Quarter average base index of 199.1. For purposes of calculating the next COLA (cost of living adjustment), the index has increased **1.5** percent, The CPI for May will be released by BLS on Friday, June 15, 2007.

NARFE MAGAZINE - The cover photo of the June issue shows one of NARFE's current marketing campaigns aimed at recruiting current federal employees. The bus shelter ads, as pictured on the cover, have worried some members unnecessarily. The ads make the point that any Congress can change retirement law and that's why more federal employees should join NARFE. However, during this marketing campaign, NARFE members are assured that this year's budget resolution contains no change to income or health security of current or future federal retirees.

MEMBERSHIP - Three members were dropped in February by NARFE Headquarters for non-payment of dues. Letters were sent to them and two have submitted their dues and will be reinstated. When you receive your first annual dues notice, please respond by renewing. Dues withholding is a better way of keeping current. See pages 51/52 of the June issue of *NARFE* magazine.

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IN MEMORIAM

Mr. Elmer M. Chambers May 26, 2007

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BE PREPARED FOR LIFE'S EVENTS - A 12-page booklet (F-100), "Be Prepared for Life's Events", is available for NARFE members by contacting **Member Services, NARFE Hq.** at 606 N. Washington St., Alexandria, VA 22314, or call 703-838-7760, or e-mail memsrvcs@narfe.org. This publication, a NARFE guide for federal employees and annuitants, is intended for use by an employee or annuitant as a personal record of necessary information. Such data is particularly important to next of kin and loved ones when a retiree departs this life. Copies will be available at our chapter meeting on June 8th.

LEGISLATIVE NOTES - The Senate subcommittee on **Oversight of Government Management, the Federal Workforce and the District of Columbia** held a hearing May 18, 2007 on the Federal Employee Health Benefits Program (FEHBP) premiums. Part of this hearing focused on a December 2006 Government Accountability Office (GAO) report which found that FEHBP premiums were higher than needed because of the Administration's decision to forgo a payment provided employers under the 2003 Medicare Prescription Drug Act. NARFE was invited to testify and was represented at this hearing by **Alan G. Lopatin**, Legislative Counsel, NARFE. Mr. Lopatin pointed out that the Medicare Prescription Drug Act specifically provided that federal, state and local governments, as employers, are entitled to the same 28 percent per enrollee subsidy for drug coverage that is granted private employers with health benefits for retirees age 65 or older at least as generous as the new Part D prescription drug plan. Acceptance of this subsidy would lead to lower employee premiums and would not be a spending "outlay" under federal budget rules since it would merely involve an "intragovernmental transfer".