

**Congress of the United States**  
**House of Representatives**

COMMITTEE ON OVERSIGHT AND REFORM

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**Opening Statement**  
**Chairwoman Carolyn B. Maloney**  
**Full Committee Hearing**  
**“Legislative Proposals to Put the Postal Service on Sustainable Financial Footing”**  
**February 24, 2021**

Good morning. I want to welcome all our witnesses and thank everyone for participating in this very important hearing on the future of the Postal Service.

The Postal Service is one of our nation’s most vital and respected institutions. It provides service across the country to every single address, and it adds over a million new delivery points every year.

It binds our nation together in the way that no other agency or organization does.

Unfortunately, the Postal Service is facing a dire financial situation that requires us to act.

On Friday, we circulated draft legislation with proposals to address some of the most important factors driving up costs for the Postal Service.

I will address one of these proposals—Medicare integration—and some of my colleagues will address the other provisions.

First, while all Postal employees pay into Medicare through their careers, not all retirees enroll when they reach 65.

Approximately 73 percent of retirees are enrolled, but the other 27 percent are not.

The Postal Service has paid about 35 billion dollars into Medicare since 1983.

The draft bill would require current employees to enroll in Medicare when they reach 65.

Retirees who are already over 65 would be given a three-month period to enroll with no penalty.

While employees and retirees would keep federal health benefits through a new health plan, Medicare would be the primary payer.

Keep in mind that these employees have already paid into the system.

This reform—known as Medicare integration—would cut long-term costs by reducing copays and other medical costs for retirees.

It would also save the Postal Service about 10 billion dollars over ten years.

These are critical savings that will help the Postal Service become more financially sustainable.

In addition to Medicare integration, my colleagues will discuss how the bill would eliminate the unfair requirement that the Postal Service prefund retiree health benefits for 75 years into the future.

Eliminating this unfair provision would take approximately 35 billion dollars off of the Postal Service's books.

They will also discuss how the bill would increase transparency to ensure that service standards are met.

On that note, as we all know, the Postal Service implemented a number of changes last year that resulted in widespread service deterioration across the country.

Part of that was caused by the coronavirus pandemic. And postal employees, who are on the front lines, have been hit especially hard.

But the other part of the problem was Postmaster General DeJoy's actions. As the Inspector General concluded, he did not adequately assess the impacts of his changes on service, and he did not adequately consult with Congress and others before he did so.

Many people—across the country and on this panel—have grave concerns. And recent events have aggravated them.

For example, we have been trying to get information about the new strategic plan, which has yet to be made public.

Of course, my own views on Mr. DeJoy are a matter of public record, and all Members of our Committee are entitled to express their own views.

However, even as our Committee continues conducting vigorous oversight of current postal operations, we will not be delayed or deterred from our north star.

We need to pass meaningful reforms—and hopefully bipartisan reforms—to put the Postal Service on more sustainable financial footing for years to come.

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