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### **Newsletter for March 2017**

The good news is that President Trump stated again that there will be no adverse changes in Social Security or Medicare. There are bills in Congress that would change both. The most dramatic proposed legislation is to privatize Medicare. You would then enroll in a plan cheaper than you currently have. It would, however, have a big deductible. This may discourage seniors who have a low income from seeking needed care. I will keep you informed as bills pick up traction.

Federal employees, you have a lot of negative things happening. There is a proposal to lower the cost of Federal Employees Health benefits to the Government. Currently, the Government picks up about 72% of the cost of each plan. The proposed plan is for the Government to pay a flat fee each month regardless of the plan. It is designed to encourage employees to take cheaper plans with high deductibles.

FERS employees, under a proposed law, your deduction of pay towards your pension would raise from .8% to 6%. I don't know if would affect employees currently already on the job. The last 2 raises in pension fund deductions did not affect current employees.

The other bad news is that Congress wants to abolish the Special Retirement Supplement (SRS) for FERS retirees. The SRS is vital for FERS employees to retire before age 62.

I will keep you informed when changes seem imminent.