

**Calendar No. 783**

108<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**S. 2657**

**[Report No. 108–393]**

To amend part III of title 5, United States Code, to provide for the establishment of programs under which supplemental dental and vision benefits are made available to Federal employees, retirees, and their dependents, to expand the contracting authority of the Office of Personnel Management, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JULY 14, 2004

Ms. COLLINS (for herself, Mr. AKAKA, Mr. LIEBERMAN, Mr. VOINOVICH, and Mr. SANTORUM) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

OCTOBER 8, 2004

Reported by Ms. COLLINS, without amendment

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**A BILL**

To amend part III of title 5, United States Code, to provide for the establishment of programs under which supplemental dental and vision benefits are made available to Federal employees, retirees, and their dependents, to expand the contracting authority of the Office of Personnel Management, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
 2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Federal Employee  
 5       Dental and Vision Benefits Enhancement Act of 2004”.

6       **SEC. 2. ENHANCED DENTAL BENEFITS FOR FEDERAL EM-**  
 7               **PLOYEES.**

8       (a) IN GENERAL.—Subpart G of part III of title 5,  
 9       United States Code, is amended by inserting after chapter  
 10      89 the following:

11       **“CHAPTER 89A—ENHANCED DENTAL**  
 12               **BENEFITS**

“Sec.

“8951. Definitions.

“8952. Availability of dental benefits.

“8953. Contracting authority.

“8954. Benefits.

“8955. Information to individuals eligible to enroll.

“8956. Election of coverage.

“8957. Coverage of restored survivor or disability annuitants.

“8958. Premiums.

“8959. Preemption.

“8960. Studies, reports, and audits.

“8961. Jurisdiction of courts.

“8962. Administrative functions.

13      **“§ 8951. Definitions**

14      “‘In this chapter:

15               “(1) The term ‘employee’ means an employee  
 16               defined under section 8901(1).

17               “(2) The terms ‘annuitant’, ‘member of family’,  
 18               and ‘dependent’ have the meanings as such terms

1 are defined under paragraphs (3), (5), and (9), re-  
2 spectively, of section 8901.

3 “(3) The term ‘eligible individual’ refers to an  
4 individual described in paragraph (1) or (2), without  
5 regard to whether the individual is enrolled in a  
6 health benefits plan under chapter 89.

7 “(4) The term ‘Office’ means the Office of Per-  
8 sonnel Management.

9 “(5) The term ‘qualified company’ means a  
10 company (or consortium of companies) that offers  
11 indemnity, preferred provider organization, health  
12 maintenance organization, or discount dental pro-  
13 grams and if required is licensed to issue applicable  
14 coverage in any number of States, taking any sub-  
15 sidiaries of such a company into account (and, in the  
16 case of a consortium, considering the member com-  
17 panies and any subsidiaries thereof, collectively).

18 “(6) The term ‘employee organization’ means  
19 an association or other organization of employees  
20 which is national in scope, or in which membership  
21 is open to all employees of a Government agency  
22 who are eligible to enroll in a health benefits plan  
23 under chapter 89.

24 “(7) The term ‘State’ includes the District of  
25 Columbia.

1   **“§ 8952. Availability of dental benefits**

2           “(a) The Office shall establish and administer a pro-  
3 gram through which an eligible individual may obtain den-  
4 tal coverage to supplement coverage available through  
5 chapter 89.

6           “(b) The Office shall determine, in the exercise of its  
7 reasonable discretion, the financial requirements for quali-  
8 fied companies to participate in the program.

9           “(c) Nothing in this chapter shall be construed to  
10 prohibit the availability of dental benefits provided by  
11 health benefits plans under chapter 89.

12   **“§ 8953. Contracting authority**

13           “(a)(1) The Office shall contract with a reasonable  
14 number of qualified companies for a policy or policies of  
15 benefits described under section 8954 without regard to  
16 section 5 of title 41 or any other statute requiring com-  
17 petitive bidding. An employee organization may contract  
18 with a qualified company for the purpose of participating  
19 with that qualified company in any contract between the  
20 Office and that qualified company.

21           “(2) The Office shall ensure that each resulting con-  
22 tract is awarded on the basis of contractor qualifications,  
23 price, and reasonable competition.

24           “(b) Each contract under this section shall contain—

1           “(1) the requirements under section 8902(d),  
2           (f), and (i) made applicable to contracts under this  
3           section by regulations prescribed by the Office;

4           “(2) the terms of the enrollment period; and

5           “(3) such other terms and conditions as may be  
6           mutually agreed to by the Office and the qualified  
7           company involved, consistent with the requirements  
8           of this chapter and regulations prescribed by the Of-  
9           fice.

10          “(c) Nothing in this chapter shall, in the case of an  
11          individual electing dental supplemental benefit coverage  
12          under this chapter after the expiration of such individual’s  
13          first opportunity to enroll, preclude the application of  
14          waiting periods more stringent than those that would have  
15          applied if that opportunity had not yet expired.

16          “(d)(1) Each contract under this chapter shall re-  
17          quire the qualified company to agree—

18                 “(A) to provide payments or benefits to an eli-  
19                 gible individual if such individual is entitled thereto  
20                 under the terms of the contract; and

21                 “(B) with respect to disputes regarding claims  
22                 for payments or benefits under the terms of the con-  
23                 tract—

1           “(i) to establish internal procedures de-  
2           signed to expeditiously resolve such disputes;  
3           and

4           “(ii) to establish, for disputes not resolved  
5           through procedures under clause (i), procedures  
6           for 1 or more alternative means of dispute reso-  
7           lution involving independent third-party review  
8           under appropriate circumstances by entities  
9           mutually acceptable to the Office and the quali-  
10          fied company.

11          “(2) A determination by a qualified company as to  
12          whether or not a particular individual is eligible to obtain  
13          coverage under this chapter shall be subject to review only  
14          to the extent and in the manner provided in the applicable  
15          contract.

16          “(3) For purposes of applying the Contract Disputes  
17          Act of 1978 to disputes arising under this chapter between  
18          a qualified company and the Office—

19               “(A) the agency board having jurisdiction to de-  
20          cide an appeal relative to such a dispute shall be  
21          such board of contract appeals as the Director of the  
22          Office of Personnel Management shall specify in  
23          writing (after appropriate arrangements, as de-  
24          scribed in section 8(c) of such Act); and

1           “(B) the district courts of the United States  
 2           shall have original jurisdiction, concurrent with the  
 3           United States Court of Federal Claims, of any ac-  
 4           tion described in section 10(a)(1) of such Act rel-  
 5           ative to such a dispute.

6           “(e) Nothing in this section shall be considered to  
 7           grant authority for the Office or third-party reviewer to  
 8           change the terms of any contract under this chapter.

9           “(f) Contracts under this chapter shall be for a uni-  
 10          form term of 7 years and may not be renewed automati-  
 11          cally.

## 12   **“§ 8954. Benefits**

13          “(a) The Office may prescribe reasonable minimum  
 14          standards for enhanced dental benefits plans offered  
 15          under this chapter and for qualified companies offering  
 16          the plans.

17          “(b) Each contract may include more than 1 level of  
 18          benefits that shall be made available to all eligible individ-  
 19          uals.

20          “(c) The benefits to be provided under enhanced den-  
 21          tal benefits plans under this chapter may be of the fol-  
 22          lowing types:

23                  “(1) Diagnostic.

24                  “(2) Preventive.

25                  “(3) Emergency care.

1 “(4) Restorative.

2 “(5) Oral and maxillofacial surgery.

3 “(6) Endodontics.

4 “(7) Periodontics.

5 “(8) Prosthodontics.

6 “(9) Orthodontics.

7 “(d) A contract approved under this chapter shall re-  
8 quire the qualified company to cover the geographic serv-  
9 ice delivery specified by the Office. The Office shall require  
10 qualified companies to include dentally underserved areas  
11 in their service delivery areas.

12 “(e) If an individual has dental coverage under a  
13 health benefits plan under chapter 89 and also has cov-  
14 erage under a plan under this chapter, the health benefits  
15 plan under chapter 89 shall be the first payor of any ben-  
16 efit payments.

17 **“§ 8955. Information to individuals eligible to enroll**

18 “(a) The qualified companies at the direction and  
19 with the approval of the Office, shall make available to  
20 each individual eligible to enroll in a dental benefits plan  
21 information on services and benefits (including maxi-  
22 mums, limitations, and exclusions), that the Office con-  
23 sider necessary to enable the individual to make an in-  
24 formed decision about electing coverage.



1       “(b) The Office shall make available to each indi-  
 2       vidual eligible to enroll in a dental benefits plan, informa-  
 3       tion on services and benefits provided by qualified compa-  
 4       nies participating under chapter 89.

5       **“§ 8956. Election of coverage**

6       “(a) An eligible individual may enroll in a dental ben-  
 7       efits plan for self-only, self plus one, or for self and family.  
 8       If an eligible individual has a spouse who is also eligible  
 9       to enroll, either spouse, but not both, may enroll for self  
 10      plus one or self and family. An individual may not be en-  
 11      rolled both as an employee, annuitant, or other individual  
 12      eligible to enroll and as a member of the family.

13      “(b) The Office shall prescribe regulations under  
 14      which—

15           “(1) an eligible individual may enroll in a den-  
 16      tal benefits plan; and

17           “(2) an enrolled individual may change the self-  
 18      only, self plus one, or self and family coverage of  
 19      that individual.

20      “(c)(1) Regulations under subsection (b) shall permit  
 21      an eligible individual to cancel or transfer the enrollment  
 22      of that individual to another dental benefits plan—

23           “(A) before the start of any contract term in  
 24      which there is a change in rates charged or benefits

1 provided, in which a new plan is offered, or in which  
2 an existing plan is terminated; or

3 “(B) during other times and under other cir-  
4 cumstances specified by the Office.

5 “(2) A transfer under paragraph (1) shall be subject  
6 to waiting periods provided under a new plan.

7 **“§ 8957. Coverage of restored survivor or disability**  
8 **annuitants**

9 “A surviving spouse, disability annuitant, or sur-  
10 viving child whose annuity is terminated and is later re-  
11 stored, may continue enrollment in a dental benefits plan  
12 subject to the terms and conditions prescribed in regula-  
13 tions issued by the Office.

14 **“§ 8958. Premiums**

15 “(a) Each eligible individual obtaining supplemental  
16 dental coverage under this chapter shall be responsible for  
17 100 percent of the premiums for such coverage.

18 “(b) The Office shall prescribe regulations specifying  
19 the terms and conditions under which individuals are re-  
20 quired to pay the premiums for enrollment.

21 “(c) The amount necessary to pay the premiums for  
22 enrollment may—

23 “(1) in the case of an employee, be withheld  
24 from the pay of such an employee; or

1           “(2) in the case of an annuitant, be withheld  
2           from the annuity of such an annuitant.

3           “(d) All amounts withheld under this section shall be  
4           paid directly to the qualified company.

5           “(e) Each participating qualified company shall  
6           maintain accounting records that contain such informa-  
7           tion and reports as the Office may require.

8           “(f)(1) The Employee Health Benefits Fund is avail-  
9           able, without fiscal year limitation, for reasonable ex-  
10          penses incurred by the Office in administering this chapter  
11          before the first day of the first contract period, including  
12          reasonable implementation costs.

13          “(2)(A) There is established in the Employees Health  
14          Benefits Fund a Dental Benefits Administrative Account,  
15          which shall be available to the Office, without fiscal year  
16          limitation, to defray reasonable expenses incurred by the  
17          Office in administering this chapter after the start of the  
18          first contract year.

19          “(B) A contract under this chapter shall include ap-  
20          propriate provisions under which the qualified company in-  
21          volved shall, during each year, make such periodic con-  
22          tributions to the Dental Benefits Administrative Account  
23          as necessary to ensure that the reasonable anticipated ex-  
24          penses of the Office in administering this chapter during  
25          such year are defrayed.

1   **“§ 8959. Preemption**

2           “The terms of any contract that relate to the nature,  
3   provision, or extent of coverage or benefits (including pay-  
4   ments with respect to benefits) shall supersede and pre-  
5   empt any State or local law, or any regulation issued  
6   thereunder, which relates to dental benefits, insurance,  
7   plans, or contracts.

8   **“§ 8960. Studies, reports, and audits**

9           “(a) Each contract shall contain provisions requiring  
10   the qualified company to—

11           “(1) furnish such reasonable reports as the Of-  
12   fice determines to be necessary to enable it to carry  
13   out its functions under this chapter; and

14           “(2) permit the Office and representatives of  
15   the General Accounting Office to examine such  
16   records of the qualified company as may be nec-  
17   essary to carry out the purposes of this chapter.

18           “(b) Each Federal agency shall keep such records,  
19   make such certifications, and furnish the Office, the quali-  
20   fied company, or both, with such information and reports  
21   as the Office may require.

22           “(c) The Office shall conduct periodic reviews of  
23   plans under this chapter, including a comparison of the  
24   dental benefits available under chapter 89, to ensure the  
25   competitiveness of plans under this chapter. The Office

1 shall cooperate with the General Accounting Office to pro-  
2 vide periodic evaluations of the program.

3 **“§ 8961. Jurisdiction of courts**

4 “The district courts of the United States have origi-  
5 nal jurisdiction, concurrent with the United States Court  
6 of Federal Claims, of a civil action or claim against the  
7 United States under this chapter after such administrative  
8 remedies as required under section 8953(d) have been ex-  
9 hausted, but only to the extent judicial review is not pre-  
10 cluded by any dispute resolution or other remedy under  
11 this chapter.

12 **“§ 8962. Administrative functions**

13 “(a) The Office shall prescribe regulations to carry  
14 out this chapter. The regulations may exclude an employee  
15 on the basis of the nature and type of employment or con-  
16 ditions pertaining to it.

17 “(b) The Office shall, as appropriate, provide for co-  
18 ordinated enrollment, promotion, and education efforts as  
19 appropriate in consultation with each qualified company.  
20 The information under this subsection shall include infor-  
21 mation relating to the dental benefits available under  
22 chapter 89, including the advantages and disadvantages  
23 of obtaining additional coverage under this chapter.”.

1 **SEC. 3. ENHANCED VISION BENEFITS FOR FEDERAL EM-**  
 2 **PLOYEES.**

3 Subpart G of part III of title 5, United States Code,  
 4 is amended by inserting after chapter 89A (as added by  
 5 section 2 of this Act) the following:

6 **“CHAPTER 89B—ENHANCED VISION**  
 7 **BENEFITS**

“Sec.

“8981. Definitions.

“8982. Availability of vision benefits.

“8983. Contracting authority.

“8984. Benefits.

“8985. Information to individuals eligible to enroll.

“8986. Election of coverage.

“8987. Coverage of restored survivor or disability annuitants.

“8988. Premiums.

“8989. Preemption.

“8990. Studies, reports, and audits.

“8991. Jurisdiction of courts.

“8992. Administrative functions.

8 **“§ 8981. Definitions**

9 “In this chapter:

10 “(1) The term ‘employee’ means an employee  
 11 defined under section 8901(1).

12 “(2) The terms ‘annuitant’, ‘member of family’,  
 13 and ‘dependent’ have the meanings as such terms  
 14 are defined under paragraphs (3), (5), and (9), re-  
 15 spectively, of section 8901.

16 “(3) The term ‘eligible individual’ refers to an  
 17 individual described in paragraph (1) or (2), without  
 18 regard to whether the individual is enrolled in a  
 19 health benefits plan under chapter 89.

1           “(4) The term ‘Office’ means the Office of Per-  
2           sonnel Management.

3           “(5) The term ‘qualified company’ means a  
4           company (or consortium of companies) that offers  
5           indemnity, preferred provider organization, health  
6           maintenance organization, or discount vision pro-  
7           grams and if required is licensed to issue applicable  
8           coverage in any number of States, taking any sub-  
9           sidiaries of such a company into account (and, in the  
10          case of a consortium, considering the member com-  
11          panies and any subsidiaries thereof, collectively).

12          “(6) The term ‘employee organization’ means  
13          an association or other organization of employees  
14          which is national in scope, or in which membership  
15          is open to all employees of a Government agency  
16          who are eligible to enroll in a health benefits plan  
17          under chapter 89.

18          “(7) The term ‘State’ includes the District of  
19          Columbia.

20   **“§ 8982. Availability of vision benefits**

21          “(a) The Office shall establish and administer a pro-  
22          gram through which an eligible individual may obtain vi-  
23          sion coverage to supplement coverage available through  
24          chapter 89.

1       “(b) The Office shall determine, in the exercise of its  
2 reasonable discretion, the financial requirements for quali-  
3 fied companies to participate in the program.

4       “(c) Nothing in this chapter shall be construed to  
5 prohibit the availability of vision benefits provided by  
6 health benefits plans under chapter 89.

7       **“§ 8983. Contracting authority**

8       “(a)(1) The Office shall contract with a reasonable  
9 number of qualified companies for a policy or policies of  
10 benefits described under section 8984 without regard to  
11 section 5 of title 41 or any other statute requiring com-  
12 petitive bidding. An employee organization may contract  
13 with a qualified company for the purpose of participating  
14 with that qualified company in any contract between the  
15 Office and that qualified company.

16       “(2) The Office shall ensure that each resulting con-  
17 tract is awarded on the basis of contractor qualifications,  
18 price, and reasonable competition.

19       “(b) Each contract under this section shall contain—

20               “(1) the requirements under section 8902 (d),  
21 (f), and (i) made applicable to contracts under this  
22 section by regulations prescribed by the Office;

23               “(2) the terms of the enrollment period; and

24               “(3) such other terms and conditions as may be  
25 mutually agreed to by the Office and the qualified



1 company involved, consistent with the requirements  
2 of this chapter and regulations prescribed by the Of-  
3 fice.

4 “(c) Nothing in this chapter shall, in the case of an  
5 individual electing vision supplemental benefit coverage  
6 under this chapter after the expiration of such individual’s  
7 first opportunity to enroll, preclude the application of  
8 waiting periods more stringent than those that would have  
9 applied if that opportunity had not yet expired.

10 “(d)(1) Each contract under this chapter shall re-  
11 quire the qualified company to agree—

12 “(A) to provide payments or benefits to an eli-  
13 gible individual if such individual is entitled thereto  
14 under the terms of the contract; and

15 “(B) with respect to disputes regarding claims  
16 for payments or benefits under the terms of the con-  
17 tract—

18 “(i) to establish internal procedures de-  
19 signed to expeditiously resolve such disputes;  
20 and

21 “(ii) to establish, for disputes not resolved  
22 through procedures under clause (i), procedures  
23 for 1 or more alternative means of dispute reso-  
24 lution involving independent third-party review  
25 under appropriate circumstances by entities

1           mutually acceptable to the Office and the quali-  
2           fied company.

3           “(2) A determination by a qualified company as to  
4 whether or not a particular individual is eligible to obtain  
5 coverage under this chapter shall be subject to review only  
6 to the extent and in the manner provided in the applicable  
7 contract.

8           “(3) For purposes of applying the Contract Disputes  
9 Act of 1978 to disputes arising under this chapter between  
10 a qualified company and the Office—

11           “(A) the agency board having jurisdiction to de-  
12 cide an appeal relative to such a dispute shall be  
13 such board of contract appeals as the Director of the  
14 Office of Personnel Management shall specify in  
15 writing (after appropriate arrangements, as de-  
16 scribed in section 8(c) of such Act); and

17           “(B) the district courts of the United States  
18 shall have original jurisdiction, concurrent with the  
19 United States Court of Federal Claims, of any ac-  
20 tion described in section 10(a)(1) of such Act rel-  
21 ative to such a dispute.

22           “(e) Nothing in this section shall be considered to  
23 grant authority for the Office or third-party reviewer to  
24 change the terms of any contract under this chapter.

1       “(f) Contracts under this chapter shall be for a uni-  
 2 form term of 7 years and may not be renewed automati-  
 3 cally.

4       **“§ 8984. Benefits**

5       “(a) The Office may prescribe reasonable minimum  
 6 standards for enhanced vision benefits plans offered under  
 7 this chapter and for qualified companies offering the  
 8 plans.

9       “(b) Each contract may include more than 1 level of  
 10 benefits that shall be made available to all eligible individ-  
 11 uals.

12       “(c) The benefits to be provided under enhanced vi-  
 13 sion benefits plans under this chapter may be of the fol-  
 14 lowing types:

15               “(1) Diagnostic (to include refractive services).

16               “(2) Preventive.

17               “(3) Eyewear.

18       “(d) A contract approved under this chapter shall re-  
 19 quire the qualified company to cover the geographic serv-  
 20 ice delivery specified by the Office. The Office shall require  
 21 qualified companies to include visually underserved areas  
 22 in their service delivery areas.

23       “(e) If an individual has vision coverage under a  
 24 health benefits plan under chapter 89 and also has cov-  
 25 erage under a plan under this chapter, the health benefits

1 plan under chapter 89 shall be the first payor of any ben-  
 2 efit payments.

3 **“§ 8985. Information to individuals eligible to enroll**

4 “(a) The qualified companies at the direction and  
 5 with the approval of the Office, shall make available to  
 6 each individual eligible to enroll in a vision benefits plan  
 7 information on services and benefits (including maxi-  
 8 mums, limitations, and exclusions), that the Office con-  
 9 siderers necessary to enable the individual to make an in-  
 10 formed decision about electing coverage.

11 “(b) The Office shall make available to each indi-  
 12 vidual eligible to enroll in a vision benefits plan, informa-  
 13 tion on services and benefits provided by qualified compa-  
 14 nies participating under chapter 89.

15 **“§ 8986. Election of coverage**

16 “(a) An eligible individual may enroll in a vision bene-  
 17 fits plan for self-only, self plus one, or for self and family.  
 18 If an eligible individual has a spouse who is also eligible  
 19 to enroll, either spouse, but not both, may enroll for self  
 20 plus one or self and family. An individual may not be en-  
 21 rolled both as an employee, annuitant, or other individual  
 22 eligible to enroll and as a member of the family.

23 “(b) The Office shall prescribe regulations under  
 24 which—

1           “(1) an eligible individual may enroll in a vision  
2       benefits plan; and

3           “(2) an enrolled individual may change the self-  
4       only, self plus one, or self and family coverage of  
5       that individual.

6       “(c)(1) Regulations under subsection (b) shall permit  
7   an eligible individual to cancel or transfer the enrollment  
8   of that individual to another vision benefits plan—

9           “(A) before the start of any contract term in  
10   which there is a change in rates charged or benefits  
11   provided, in which a new plan is offered, or in which  
12   an existing plan is terminated; or

13          “(B) during other times and under other cir-  
14   cumstances specified by the Office.

15       “(2) A transfer under paragraph (1) shall be subject  
16   to waiting periods provided under a new plan.

17   **“§ 8987. Coverage of restored survivor or disability**  
18                   **annuitants**

19       “A surviving spouse, disability annuitant, or sur-  
20   viving child whose annuity is terminated and is later re-  
21   stored, may continue enrollment in a vision benefits plan  
22   subject to the terms and conditions prescribed in regula-  
23   tions issued by the Office.

1 **“§ 8988. Premiums**

2 “(a) Each eligible individual obtaining supplemental  
3 vision coverage under this chapter shall be responsible for  
4 100 percent of the premiums for such coverage.

5 “(b) The Office shall prescribe regulations specifying  
6 the terms and conditions under which individuals are re-  
7 quired to pay the premiums for enrollment.

8 “(c) The amount necessary to pay the premiums for  
9 enrollment may—

10 “(1) in the case of an employee, be withheld  
11 from the pay of such an employee; or

12 “(2) in the case of an annuitant, be withheld  
13 from the annuity of such an annuitant.

14 “(d) All amounts withheld under this section shall be  
15 paid directly to the qualified company.

16 “(e) Each participating qualified company shall  
17 maintain accounting records that contain such informa-  
18 tion and reports as the Office may require.

19 “(f)(1) The Employee Health Benefits Fund is avail-  
20 able, without fiscal year limitation, for reasonable ex-  
21 penses incurred by the Office in administering this chapter  
22 before the first day of the first contract period, including  
23 reasonable implementation costs.

24 “(2)(A) There is established in the Employees Health  
25 Benefits Fund a Vision Benefits Administrative Account,  
26 which shall be available to the Office, without fiscal year

1 limitation, to defray reasonable expenses incurred by the  
 2 Office in administering this chapter after the start of the  
 3 first contract year.

4 “(B) A contract under this chapter shall include ap-  
 5 propriate provisions under which the qualified company in-  
 6 volved shall, during each year, make such periodic con-  
 7 tributions to the Vision Benefits Administrative Account  
 8 as necessary to ensure that the reasonable anticipated ex-  
 9 penses of the Office in administering this chapter during  
 10 such year are defrayed.

11 **“§ 8989. Preemption**

12 “The terms of any contract that relate to the nature,  
 13 provision, or extent of coverage or benefits (including pay-  
 14 ments with respect to benefits) shall supersede and pre-  
 15 empt any State or local law, or any regulation issued  
 16 thereunder, which relates to vision benefits, insurance,  
 17 plans, or contracts.

18 **“§ 8990. Studies, reports, and audits**

19 “(a) Each contract shall contain provisions requiring  
 20 the qualified company to—

21 “(1) furnish such reasonable reports as the Of-  
 22 fice determines to be necessary to enable it to carry  
 23 out its functions under this chapter; and

24 “(2) permit the Office and representatives of  
 25 the General Accounting Office to examine such

1 records of the qualified company as may be nec-  
2 essary to carry out the purposes of this chapter.

3 “(b) Each Federal agency shall keep such records,  
4 make such certifications, and furnish the Office, the quali-  
5 fied company, or both, with such information and reports  
6 as the Office may require.

7 “(c) The Office shall conduct periodic reviews of  
8 plans under this chapter, including a comparison of the  
9 vision benefits available under chapter 89, to ensure the  
10 competitiveness of plans under this chapter. The Office  
11 shall cooperate with the General Accounting Office to pro-  
12 vide periodic evaluations of the program.

13 **“§ 8991. Jurisdiction of courts**

14 “The district courts of the United States have origi-  
15 nal jurisdiction, concurrent with the United States Court  
16 of Federal Claims, of a civil action or claim against the  
17 United States under this chapter after such administrative  
18 remedies as required under section 8983(d) have been ex-  
19 hausted, but only to the extent judicial review is not pre-  
20 cluded by any dispute resolution or other remedy under  
21 this chapter.

22 **“§ 8992. Administrative functions**

23 “(a) The Office shall prescribe regulations to carry  
24 out this chapter. The regulations may exclude an employee



1 on the basis of the nature and type of employment or con-  
 2 ditions pertaining to it.

3 “(b) The Office shall, as appropriate, provide for co-  
 4 ordinated enrollment, promotion, and education efforts as  
 5 appropriate in consultation with each qualified company.  
 6 The information under this subsection shall include infor-  
 7 mation relating to the vision benefits available under chap-  
 8 ter 89, including the advantages and disadvantages of ob-  
 9 taining additional coverage under this chapter.”.

#### 10 **SEC. 4. TECHNICAL AND CONFORMING AMENDMENT.**

11 The table of chapters for part III of title 5, United  
 12 States Code, is amended by inserting after the item relat-  
 13 ing to chapter 89 the following:

<b>“89A. Enhanced Dental Benefits</b>	<b>8951</b>
<b>“89B. Enhanced Vision Benefits</b>	<b>8981”.</b>

#### 14 **SEC. 5. APPLICATION TO POSTAL SERVICE EMPLOYEES.**

15 Section 1005(f) of title 39, United States Code, is  
 16 amended in the second sentence by striking “chapters 87  
 17 and 89” and inserting “chapters 87, 89, 89A, and 89B”.

#### 18 **SEC. 6. SENSE OF CONGRESS.**

19 (a) FINDINGS.—Congress finds that—

20 (1) oral and vision health and general health  
 21 and well-being are inseparable and access to dental  
 22 and vision services is an essential factor in maintain-  
 23 ing good health;

1           (2) Federal employees and their families de-  
2       serve and desire additional coverage options and  
3       place value on maintaining good oral and vision  
4       health; and

5           (3) it is in the interest of the Federal Govern-  
6       ment to remain competitive in attracting and retain-  
7       ing highly skilled employees and taking reasonable  
8       steps to ensure the health and well-being of its em-  
9       ployees.

10       (b) SENSE OF CONGRESS.—It is the sense of Con-  
11      gress that health insurance benefits available to Federal  
12      employees should be sufficient to promote the health and  
13      productivity of all Federal workers and to support the re-  
14      cruitment and retention of a highly qualified workforce.  
15      To help achieve these goals, Congress should evaluate the  
16      supplemental plans established under the Federal Em-  
17      ployee Dental and Vision Benefits Enhancement Act of  
18      2004 to determine the options for and feasibility of pro-  
19      viding an employer contribution.

20      **SEC. 7. REQUIREMENT TO STUDY HEALTH BENEFITS COV-**  
21                           **ERAGE FOR DEPENDENT CHILDREN WHO**  
22                           **ARE FULL-TIME STUDENTS.**

23       Not later than 6 months after the date of enactment  
24      of this Act, the Office of Personnel Management shall sub-  
25      mit to Congress a report describing and evaluating options

1 whereby benefits under chapter 89 of title 5, United  
2 States Code, could be made available to an unmarried de-  
3 pendent child under 25 years of age who is enrolled as  
4 a full-time student at an institution of higher education  
5 as defined under section 101 of the Higher Education Act  
6 of 1965 (20 U.S.C. 1001).

7 **SEC. 8. EFFECTIVE DATE.**

8       The amendments made by this Act shall take effect  
9 on the date of enactment of this Act and shall apply to  
10 contracts that take effect with respect to the calendar year  
11 2006.

Calendar No. 783

108TH CONGRESS  
2D Session

**S. 2657**

[Report No. 108-393]

**A BILL**

To amend part III of title 5, United States Code, to provide for the establishment of programs under which supplemental dental and vision benefits are made available to Federal employees, retirees, and their dependents, to expand the contracting authority of the Office of Personnel Management, and for other purposes.

OCTOBER 8, 2004

Reported without amendment