

November 4, 2019

WRITER'S E-MAIL ADDRESS: jcasaretti@airmarshal.org tsmeltz@airmarshal.org

> VIA E-MAIL ONLY: David.kohl2@tsa.dhs.gov

David Kohl Executive Assistant Administrator Transportation Security Administration-Federal Air Marshal Service

Re: Medical Committee proposal for early FAM retirement with service credit

Director Kohl,

As previously discussed, the AMA Medical Committee has been working on a proposal for your consideration. It is apparent the agency is attempting to downsize, or right size. The AMA is not aware of any agency plan to hire FAMs at a rate that would replace projected attrition; therefore, it appears the agency has approved the reduction of approximately 1200 FAMs over the next 2-3 years. This loss has already started, and the consequences of it are being discussed at field offices across the country. Some recognizable steps the agency has taken to adjust to this anticipated loss of FAMs include:

- recent CONOPS changes
- condensing and centralizing all agency training
- minimizing all Field Office real estate and minimizing our overall footprint
- reducing the accessible government vehicles (GOVs) per field office (FO)
- removal of health and wellness programs (staff psychologist, FO gyms, bloodwork, etc.)
- condensing squads and cutting field positions (TNG Instructor, Liaison, VIPR)
- and the medical disqualification of flying FAMs

The AMA position is that agency funds must be allocated each year to hire and train new agents. We appreciate the calls and meetings between FAMS and AMA, which explain the agency's challenges and help our members understand the agency's reasons for the current changes.

Medical disqualification and workforce reduction

However, we neither understand, nor condone the medical disqualification of FAMs for conditions arising from the performance of their duties. On the contrary, the AMA believes our agency should be looking for ways to retain FAMs as flight related conditions develop. As you may recall, the 2010 FAM Harvard Sleep Study the agency commissioned predicted the circumstances we find ourselves in; the study correctly identified that persistent circadian rhythm

disruption due to scheduling combined with the duties of an Air Marshal would take a heavy toll on FAM health and welfare. We have a large pool of FAMs that have already flown between 5 and 8 million miles on duty. These are agents who have paid their dues in the seat year after year, and are more likely to be diagnosed with disqualifying medical issues (hearing, blood clots, joint injuries, hormone deficiency, sleep disorders, etc). The agency systematically denies that the demands of the position are causing these conditions, and routinely disputes FAM OWCP claims for these conditions via the agency Medical department. It is counterproductive to lose the experience of these senior agents. We would like to see FAMs who develop medical conditions at the end of their careers be offered intelligence or operations positions rather than be discarded.

Early retirement is an option to increase agency efficiency

Given all that is occurring, the AMA recommends that the agency consider implementing an <u>early retirement plan</u> to an eligible portion of the workforce. The proposed eligible FAMs includes those hired during the initial creation of the agency following 9/11/01, or the 2001 to 2004 hires (Pre-04). There is a precedent of agency intervention with this proposed group to correct oversights. In 2009, pre-October 2003 hires were granted an age waiver to enable them to earn 20-year law enforcement retirements. In another example of agency action regarding the proposed Pre-04 group, FAMs having no prior LEO experience were 'granted' retroactive LEO experience for their retirement computations. This conversion, however, was not cost neutral, and only benefitted former non-LEO FAA Civil Aviation Security Specialists who inherited the new FAM position.

There is a far greater efficiency in considering our early retirement proposal for Pre-04 FAMs. Pre-04 FAMs:

- are near retirement age or eligibility
- can have higher salaries
- accrue the highest rate of leave and sick time
- are more likely to use the bulk of the earned sick time they have accumulated due to family demands such as aging parents or ailing spouses.
- are more likely to have medical issues effecting their employment
- are more likely to file OWCP claims prior to retirement

The agency can:

- recover approximately 60% of Pre-04 FAM salaries
- immediately reduce mission related travel expenses
- have a controlled exodus not dribs and drabs
- correctly schedule intelligence based flights with known staffing
- recover a percentage of training and administrative costs
- plan for accurate reduction of management and administrative positions
- offer immediate opportunities for FAMs with less seniority
- evolve the FAMS into the foundation for a single TSA 1811 position

The AMA Medical Committee has taken a sample survey of 100 eligible Pre-04 FAMs and there is strong support for this proposal with 82 respondents stating they would take an immediate opportunity to retire if credited the full 20 years of service and LEO retirement benefits. We have also discussed this proposal last month in relevant congressional offices, and preliminary support was expressed given the cost savings combined with the workforce health and wellness benefits. The AMA will roll out a more comprehensive survey to our 1100 members in the coming weeks to give the agency a more accurate picture of FAM interest.

Monetary benefits

Conservative estimated numbers are substantial.

<u>Salary savings- \$172,800,000</u>

•	Employees	1200 (est. 1100 to 1300)
•	Average salary	\$120,000 per FAM
•	40% Retirement Pay	\$48,000 per FAM
•	Savings	\$72,000 per FAM
•	Eligible Pre-04 group	\$86,400,000 per year
•	Total over 24 months	\$172,800,000 total savings

• Additional savings to consider – Premium pays (holiday, Sunday, night diff), overtime, matching TSP, agency healthcare payments per employee

International mission savings - \$34,560,000

International mission expenses per year assuming conservative estimate of 18 missions per FAM (miles, tolls, hotel, per diem)

- Hotel = \$400 (\$200 per night)
- Per diem = \$300
- Taxi/Other/POV = \$100

Conservative estimate of \$800 per FAM per Intl. Mission \$800 x 18 mission per year = \$14,400 \$14,400 x 1200 FAMs = \$17,280,000 Total over 2 years \$34,560,000

<u>Domestic Missions – Unknown -</u> There are too many variables (RON, leave, training days) to give even a credible conservative estimate. However, the savings can be considerable.

Additional savings and reduction in unfunded liabilities

Additional items to consider are the agency minimizing their risk in long-term OWCP costs. The AMA has a unique position and perspective as we provide benefits and counseling to our 1100 members. We know there are a number of Pre-04 hires that are just trying to 'hold on' medically in order to reach their 20 year mark (or 25 years if not yet 50 years old). If claims begin to be

filed (as they should), the OWCP costs could be staggering since the agency returns 115% to OWCP for covered injury payments. These numbers extend to covered surgeries, physical therapy, medical equipment purchases, schedule awards, etc. A single employee with an approved condition can cost the agency hundreds of thousands of dollars, resulting in an unfunded government liability.

Also, if a Pre-04 employee is medically disqualified under the current arbitrary FAM Medical agenda, the affected FAM will be approved for an OPM Disability retirement *without fail*. This is due to the agency's current position that a permanently injured or medically compromised FAM is of no use; FAMs in this situation are involuntarily separated via non-disciplinary removal. Consider that an annuitant receiving OPM Disability retirement benefits continues to accrue creditable service time until reaching Minimum Retirement Age (currently 62). This extends the retirement percentage the employee has accrued, and can add an additional 12% to retirement earnings at age 62 (20 years of service at 50 years old equals 34% at 1.7% LEO rate – OPM Disability approval at age 49 with 19 years of service is 32.3% plus the additional 12% to age 62 totaling 44.3%).

Better agency control and planning

The offer of early retirement to Pre-04 FAMs also allows the agency to control the reduction of the workforce and dictate the time and circumstances of losing the employee. Currently, the agency is shedding approximately 24 FAMs per month (+/- 6). These retirements disrupt scheduling and mission planning, decreasing the efficiency of the service. With the early retirement proposal, the 1200 FAMs would not remove themselves from already built schedules as they retire, and Operations and International Planning would not need to recover the missions.

* * *

In sum, early retirements can allow the agency to recover more than \$200 million dollars over the next 2 years, eliminate unfunded medical and retirement claims, improve quality of life for a portion of the workforce coping with travel related medical conditions, and acknowledge a dedicated group of officers that endured agency 'growing pains' following the 9/11 attacks. The AMA has briefed relevant Congressional offices on this proposal, and they see no downside to agency implementation given the AMA assumptions.

AMA Medical Committee Chairman Travis Smeltz or I am available at your convenience to discuss this proposal, or other AMA proposals that would increase agency capabilities and efficiency.

r**y** truly yours,

John Casaretti - President Air Marshal Association

Travis Smeltz - Chairman AMA Medical Committee