
Letter Number 2023-07

Date: March 31, 2023

Fee-for-service [X]

Experience-rated HMO [X]

Community-rated HMO [7]

Subject: Reconciliation Instructions for 2023 Rates – Community Rated Carriers

This letter represents Part 3 of our three part series of rate guidance for 2023 rates. You received [Part 1 – Community Rating Guidelines 2023](#) and [Part 2 – 2023 Proposal Instructions](#) on April 27, 2022. The Excel file accompanying this letter, “Reconciliation Tables Attachments III and IIIA.xlsx”, includes the Reconciliation tables for you to fill out. Attachments IIIB through VI are found in this document. Most community rated carriers must complete some or all of the attached documents in this letter to reconcile their 2023 Federal rates. To determine which documents apply to your plan options, please use the following chart:

Step	If...	Then...
1.	Your 2022 income from the Federal group was less than \$2,000,000.	Stop here. You do not need to complete the enclosed documents. If your 2023 rates were reduced to generate a contingency reserve payment, it will be sent automatically this summer.
2.	You are a small carrier whose 2022 income from the Federal group was more than \$2,000,000 and you did not file rates as a large carrier.*	You must complete Attachments III, IIIA, IIIB, and V and keep them on file and available for OPM review. These documents are subject to audit.

Step	If...	Then...
3.	<ul style="list-style-type: none"> You had more than 1,500 contracts at the time of the 2023 rate proposal, or You are a small carrier that filed as a large carrier by submitting detailed documentation with your rate proposal. 	Upload and submit Attachments III through VI by April 30, 2023, on the Rate Submission Tool .

* If you are a small carrier with Federal group income over \$2,000,000 in the year prior to your terminating year, you must complete Attachments III, IIIA, IIIB and V for the final year and keep them on file and available for OPM review. You must notify OPM of any amount owed or due as a result of the final reconciliation by April 30 of the terminating year or within 30 days of your notice to OPM of your termination, whichever is later.

All carriers (except those with income less than \$2,000,000 from the Federal group in 2022) must complete the Reconciliation Questionnaire (Attachment IIIB) as indicated by the following table.

If you use...	Then you must complete...
Traditional Community Rating	Sections IIIB (1),(2),(3)
Community Rating by Class	Sections IIIB (1),(4)
Adjusted Community Rating	Sections IIIB (1),(5)

When completing your 2023 reconciliation, please refer to [Part 1 – Community Rating Guidelines 2023](#) which you received with the 2023 Proposal Instructions on April 27, 2022.

If you have questions about the rate reconciliation process, please contact the Office of the Actuaries at actuary@opm.gov with a copy to your Health Insurance Specialist.

This Carrier Letter contains this year’s reconciliation instructions in this document and the reconciliation attachments are in the accompanying Excel file.

Please visit the [Rate Submission Tool](#) to submit your completed forms.

Sincerely,

Laurie Bodenheimer
Associate Director
Healthcare and Insurance