



Benefits Administration Letter

Number: 14-211

Date: October 21, 2014

Subject: CLER 2.0

Purpose

The purpose of this Benefits Administration Letter (BAL) is to update Agencies on the progress made on changing the requirements for federal payroll offices data submissions to the Federal Employees Health Benefits (FEHB) Centralized Electronic Enrollment Reconciliation Clearinghouse (CLER). This BAL is a follow-up to BAL 13-202, dated June 24, 2013.

Discussion

In BAL 13-202, OPM announced an enhancement to CLER that will provide FEHB carriers a report providing premium payment data per person, per pay period for each payroll office. Carriers do not currently receive any payment information listed by individual. Payroll offices were instructed to change the frequency of their reporting data to CLER from quarterly to each pay period and to include two new data fields in their input file layout (one in the header of the data submission and the other in the body of the data submission). The new file format was included with BAL 13-202.

BAL 13-202 also set an implementation date of March 1, 2014. However, because many payroll offices did not complete testing of the new file format with the National Finance Center (NFC), the implementation date was changed to September 1, 2014. NFC will utilize the 3rd quarter transmission data for reconciliation only. The files must be set to transmit to NFC automatically every pay period. During the 3rd quarter NFC will use the transmitted reports to assure that all payroll offices are sending the data in each pay period, with accurate amounts. NFC will make Report 13- Pay Period Transmissions Payment Amounts available for use in Quarter 4, December 1, 2014, provided all payroll offices are transmitting data for each pay period as expected.

The new premium payment report in CLER will allow carriers to better reconcile the premiums paid to them and will provide changes in enrollment data each pay period, such as employees changing payroll offices or changing health plans. Carriers will be able to make certain changes in their enrollment records based on what they see in the CLER premium payment report. This should reduce the number of enrollment discrepancies identified in the quarterly enrollment data match as carriers have already corrected their databases. This should result in fewer enrollment discrepancies each quarter that federal agencies would need to resolve with FEHB carriers and

reduce each agency's workload. Switching to the new input file format and submission frequency will allow carriers and agencies to have more targeted information, will help identify fraud and abuse, and help to prevent erroneous payments.

Payroll offices not switching to the new CLER data file format will not have their input data accepted by CLER after the December 1, 2014 implementation date. This will result in their employees having unmatched records with the carriers. FEHB carriers have instructions to initiate termination of enrollment for their unmatched records, so payroll offices that do not switch to the new input data file format for CLER run the risk of having their employees lose their FEHB coverage.

For many years, FEHB carriers were paid an extra premium loading due to the inability to sufficiently reconcile FEHB enrollment records. Through the use of CLER, reconciliations improved significantly and the additional premium load to carriers was no longer needed. This was due in good part to positive efforts put forth by Federal agencies and carriers. We now need to finalize the implementation of CLER 2.0 to ensure that FEHB enrollment discrepancies are minimized and provide carriers premium payment data per enrollee, per pay period.

File Format Issue

The file format in CLER 2.0 restricts the reporting of the dollar amount of FEHB premiums remitted to or withdrawn from FEHB carriers to \$9,999.99. There are times when retroactive enrollment adjustments will cause the dollar amount of premiums paid or withheld to exceed this amount. In such cases, we ask Federal agencies to limit the dollar amount they report to CLER to \$9,999.99 even though the actual amount may be higher. We are instructing FEHB carriers in such cases to call the Federal agency to obtain the actual dollar amount. Dollar amounts in excess of \$9,999.99 will not be reported on subsequent reports. When entering the total amount of premiums reported in field 4 of the Enrollment file footer record, \$9,999.99 will be used for tallying the sum.

Responding to Carriers

OPM is instructing carriers to contact Federal agencies for information needed to resolve CLER discrepancies found in the CLER 2.0 report, and to initiate termination of enrollment procedures if Federal agencies do not respond within 30 days of being contacted. Agencies need to ensure they respond to carriers within those 30 days.

Assistance

For assistance with the file format and transmission testing with NFC, contact NFC's CLER Operations Unit by calling 855-632-4468 or via email at NFC.CLER@nfc.usda.gov. Testing must be completed by November 21, 2014.

For policy related questions, contact Eric Figg of OPM's Healthcare and Insurance Office via email at eric.figg@opm.gov.

Sincerely,

John O'Brien
Director
Healthcare and Insurance