
FEHB Program Carrier Letter

Community-rated Carriers

U.S. Office of Personnel Management
Insurance Services Program

Letter No. 2005-09

Date: March 30, 2005

Fee-for-service [n/a] Experience-rated HMO [n/a] Community-rated HMO [8]

**SUBJECT: Reconciliation Instructions for 2005 Rates --
Community-Rated Carriers**

Most community rated carriers must complete some of the enclosed documents (Attachments III, IV, V and VI) to reconcile their 2005 Federal rates. These documents comprise the final part of the 2005 Rate Proposal. To decide which attachments apply to you, see the following chart:

Step	If...	Then...
1.	Your 2004 income from the Federal group was <u>less</u> than \$500,000,	Stop here. You do not need to complete the enclosed documents. If your 2005 rates were reduced to generate a contingency reserve payment, it will be sent automatically in the summer.
2.	<ul style="list-style-type: none">✓ You had more than 1500 contracts at the time of the 2005 rate proposal, or✓ You are a small carrier that filed as large by submitting detailed documentation with your rate proposal,	<p>You must E-Mail Attachments III through VI by April 29, 2005, to Actuary@opm.gov.</p> <p>Send any documents which cannot be E-mailed to:</p> <p>Ms. Nancy H. Kichak, Deputy Associate Director Center for Workforce Planning and Policy Analysis Office of Personnel Management 1900 E St, NW, Rm 4307 Washington, DC 20415</p>
3.	You are a small carrier with more than \$500,000 income and did not file as a large carrier.	You must complete Attachments III, IIIA, IIIB and V, and keep them on file and available for OPM review.

Attachment VI

The enclosed document entitled "OPM Reconciliation Guidelines 2005" gives pertinent definitions and an overall view of our 2005 reconciliation policy.

All carriers, except those with income less than \$500,000 in 2004, 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),(2),(4)
Adjusted Community Rating	Sections IIIB (1),(2),(5)

If you have questions about the reconciliation please call Sherry Simon or Sharon Tu at (202) 606-0722, or send an e-mail to us at actuary@opm.gov. **This year's reconciliation is being E-mailed to you as a Microsoft Word document. Please e-mail the completed forms as a Word document to the above e-mail address. Please send any documents which cannot be E-mailed by overnight delivery.**

Sincerely,

Frank D Titus
Assistant Director
for Insurance Services Programs

Enclosure