
FEHB Program Carrier Letter

Experience-Rated Carriers

U.S. Office of Personnel Management
Insurance Services Programs

Letter No. 2010-03

Date: January 28, 2010

Fee-for-service [2] Experience-rated HMO [2] Community-rated HMO [n/a]

SUBJECT: Calendar 2009 Annual Accounting Statement Financial Reporting

Enclosed is the U.S. Office of Personnel Management's (OPM) financial reporting instructions for calendar year 2009, Carrier Worksheets (excel file) and the certification(s) of the Annual Accounting Statement (AAS). *Note: additional reporting requirements have been added to the Instructions for the Summary Statement in reference to Carrier Investment Interest Income.*

The certification must be sent via fax (202)606-1338 or overnight mail to:

Office of Personnel Management
Center for Financial Services
1900 E Street, N.W., Room 3H35
Washington, D.C. 20415
Attn: Melanese Wynn

This financial information is a requirement of your plan's participation in the Federal Employees Health Benefits (FEHB) Program. It is imperative for contract administration purposes that your AAS be submitted by March 31, 2010.

It is the policy of OPM to make contingency reserve payments available to your plans as soon as possible based on our review of your plan's documentation. Where feasible, a "preliminary" transfer of funds from your contingency reserve to your Letter of Credit (LOC) account will be computed based on the initial review of your AAS. The ability to make a "preliminary" contingency reserve transfer is dependent on the quality and timeliness of the AAS submission. If it is not possible to determine the dollar impact of the reporting deficiency or if OPM cannot rely on the data presented, payment will be deferred until final resolution of the problem(s) or acceptance of the AAS. In addition, all "excess reserves" held by the plan as of Dec. 31, 2009, will be transferred from the LOC account to the contingency reserve. If the AAS is not submitted by March 31, 2010, OPM may estimate the amount of excess reserves and withdraw that amount from the LOC account. OPM will notify the plan before making withdrawals.

The Debt Collection Improvement Act of 1996 (DCIA) provides that a debt owed to the United States that has been delinquent for a period of 180 days or more is subject to administration offset. Effective August 26, 1999, all payments to carriers, including amounts drawn from the LOC accounts for experience-rated carriers, are subject to the administrative offset provisions of

the DCIA. To satisfy amounts you owe to other Federal entities, Treasury may reduce the payment amounts made. Note: The gross amount of LOC drawdowns must be reported on your annual and fiscal year accounting statements rather than the net amount received.

Thank you in advance for submitting a timely and accurate accounting statement. If you have questions about this letter, please contact Melanese Wynn of the Trust Funds Group at Melanese.wynn@opm.gov or (202) 606-4498.

Sincerely,

Kathleen McGettigan, Acting
Associate Director
For Retirement & Benefits

Enclosures

- A – AAS Spreadsheet
- B – Instructions for Automated AAS
- C – Certification of Annual Accounting Statement