
FEHB Program Carrier Letter

FEHB Carriers

U.S. Office of Personnel Management
Healthcare and Insurance

Letter No. 2012-03

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Fee-for-Service [3] Experience-rated HMO [3] Community-rated [3]

SUBJECT: Guidance to Reduce Enrollment Reconciliation Discrepancies

This carrier letter provides guidance on (1) preventing enrollment discrepancies, (2) current tools to reduce enrollment discrepancies, and (3) introducing new tools to reduce enrollment discrepancies.

This letter supplements and amends the information provided in Carrier Letters 1999-07 (Disenrollment and Reconciliation); 1999-34 (Notification of Certain Enrollment Changes); and 2003-34 (Using the FEHB Disenrollment Regulations on CLER Discrepancies).

1. Steps to Prevent Enrollment Discrepancies

Enrollment changes that do not require Standard Form (SF) 2809

Enrollees are responsible for communicating to carriers about certain changes to existing Self and Family enrollments that do **not** affect premium withholdings. These include:

- addition of certain dependents (such as natural children);
- addition of a spouse; and
- removal of a spouse due to death or divorce.

You do not need a completed SF 2809 Health Benefits Election Form or any agency verification in these situations. If you have questions concerning the validity of a change, you may ask the enrollee for proof of the event permitting the change. For example, you may request a copy of the marriage certificate when adding a spouse to an existing Self and Family enrollment.

If you are not satisfied with the proof provided by the enrollee, you may contact the enrollee's employing office or retirement system for assistance.

Enrollment changes that require the SF 2809

Employing offices are responsible for processing **all** enrollment changes that affect premium withholdings, e.g., changes in plan and/or option or changes from Self Only to Self and Family or vice versa. In these situations, you will receive either a completed paper SF 2809 from the employing office or an OPM-Macon Data Hub electronic transmittal. Do **not** accept these types of changes directly from enrollees.

A carrier cannot make a unilateral change in enrollment type simply because it is aware a change is warranted. For example, a father has a Self and Family enrollment that covers only himself and his

son. When his son turns 26, the carrier cannot unilaterally change the father's enrollment type from Self and Family to Self Only. Instead the carrier should send the "Notice of Issue With Family Enrollment" letter (Attachment 1) to the enrollee suggesting that the enrollee go to his/her employing office to change the enrollment to Self Only.

2. Current Tools to Reduce Enrollment Discrepancies

A 'Fail Count' is the number of successive quarters the same discrepancy is identified by the FEHB Centralized Enrollment Reconciliation Clearinghouse (CLER). A '160' error occurs when a record reported by a carrier is not matched by any record reported by Federal agencies. If a carrier has '160' error records with a 'Fail Count' of **3 or more** and the carrier has attempted but has been unable to obtain resolution of the discrepancies from the appropriate employing agencies, the carrier **must** send these individuals, except for annuitants, a "Notice of Intent to Disenroll" letter (Attachment 2). This authorization to send these "Disenrollment" letters does not relieve a carrier of the responsibility of first trying to resolve the discrepancies with the appropriate employing office. The carrier must bring these records to the agency's attention because the agency may not see a carrier's 160 error code records.

3. New Tools for Reconciling Discrepancies

Lowering the Fail Count of 160 Errors

Carriers are currently required to send a "Notice of Intent to Disenroll" letter (Attachment 2) to enrollees (except for annuitants) associated with a 160 error code with a Fail Count of 3 or higher. OPM is now allowing carriers to send, at their discretion, the "Notice of Intent to Disenroll" letter to enrollees (except for annuitants) CLER identifies with a 160 error code with a **Fail Count of 2**. Carriers that do not choose to send the "Notice of Intent to Disenroll" letter after a Fail Count of 2 are still required to send the letter when the Fail Count reaches 3.

Expansion of Notice of Intent to Disenroll for 166 Errors

OPM is expanding the use of the FEHB disenrollment procedures. Carriers may use the "Notice of Intent to Disenroll" letter (Attachment 2) for records in CLER that show more than one carrier reporting enrollment for the same individual and where the carrier believes it is no longer the carrier of record for the enrolled individual (the carrier that is not reported by the payroll office). This is the CLER 166 error code record. This letter may be sent out with a Fail Count of 2 or higher. The same letter is used for CLER 160 error code records.

Modified Letter for 164 Errors

Carriers may also send a letter to enrollees to clarify coverage. CLER 164 error code records indicate that a carrier still covers an enrollee but the enrollment code may have changed, e.g., from Self Only to a Self and Family enrollment or vice versa, or changing options within the health plan. This letter can be sent out with a Fail Count of 2 or higher. A sample of this letter entitled "Notice of Assistance Letter" is attached (Attachment 3).

Reconciliation for 161 Errors

Carriers are encouraged to change an enrollee's payroll office number when the payroll office number the carrier has on record no longer matches what is being reported to CLER by the current payroll office. This is a CLER 161 error code record. The carrier can make this change with a Fail Count of 1 or higher. For the effective date of the payroll office number change, use the first day of the current reconciliation quarter, unless carriers are instructed otherwise by a payroll or human resources office. Do not change the payroll office number if more than one payroll office is reporting the same individual.

If you have questions on FEHB enrollment reconciliation, please contact Eric Figg at 202-606-4083 or eric.figg@opm.gov.

If you have any other questions, please contact your Contract specialist.

Sincerely

John O'Brien
Director
Healthcare and Insurance