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# FEHBP Letter

## All Carriers

U.S. Office of Personnel Management  
Office of Insurance Programs

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FEHBP Letter No. 97-30  
Prepays [26] Fee for Service [26]

Date July 23 1997

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### **SUBJECT: Disputed Claims and the Carriers' Reconsideration Files**

The Office of Personnel Management (OPM) regulations provide that an enrollee may ask a Carrier to reconsider its denial of a medical or dental claim (5 CFR 890.105). On March 25, 1996, we sent FEHBP Letter No. 96-16 concerning the Carrier Responsibilities in the Disputed Claims Process. The Carrier Letter listed records that, depending on the nature of the case, are to be included in a Reconsideration File to ensure that a thorough review has been completed prior to issuing your reconsideration decision. You are responsible for assuring that adequate documentation to support the rationale for your decision, appropriate to the nature of services received and type of claim filed, is considered before upholding your denial on reconsideration. You are also responsible for maintaining this documentation for forwarding to OPM in the event the insured requests our review of your decision. Adequate documentation includes all information submitted by the claimant and his provider(s) in support of the claim, and all other documentation considered by the plan in making its decision. A Reconsideration File includes but is not limited to the following documentation:

- Carrier's explanation of why a particular claim or service has been denied
- Pertinent provision in the brochure that supports that denial
- Carrier's reconsideration decision document
- All letters and documents from the enrollee
- Explanations of benefits
- Medical records
- Operative reports
- Statements of physicians
- Itemized bills
- Patient's date of birth
- Translations of foreign claims
- Applicable discounts
- Medical and scientific studies supporting the decision (if applicable)

Carriers must submit a copy of their complete Reconsideration File. We no longer require a Plan Report.

You will receive an FEHB Reconsideration File Request and Submittal Sheet similar to Enclosure 1 that will identify the individual requesting our review. After you complete the lower portion, this form will be submitted as the coversheet for your response to OPM.

The importance of an adequately documented Reconsideration File cannot be overstated. Recently, a judge determined that the administrative record OPM used to decide a disputed claim was inadequate. Information the enrollee submitted to the plan in support of the claim had not been reviewed by OPM. The court found that the administrative record should include all evidence submitted by the claimant, whether submitted to the Carrier or to OPM. Your complete Reconsideration File should be sent to OPM within **ten (10) business days** from the date we fax a request to you for the file. It is imperative that you send the complete file with all the information arranged in chronological order. You should send the Reconsideration File to OPM either by fax or overnight mail.

OPM and the Carriers have made great progress in streamlining and improving the disputed claims process for our enrollees. We assume that since Carrier Letter 96-16 (Enclosure 2), you have been creating well documented Reconsideration Files with the appropriate records in order to issue a decision to the enrollee that is clear, concise, and fully delineates the contractual reasons for a denial of payment or services. We believe that these instructions added to the instructions in Carrier Letter 96-16 will enhance the process even more and improve the service we give to our enrollees. Therefore, Carrier Letter 96-06 concerning Reconsideration Workloads is rescinded. If you have any questions concerning these instructions, please contact your contract specialist.

Sincerely,

Frank D. Titus  
Assistant Director  
for Insurance Programs

Enclosures