



Benefits Administration Letter

Number: 06- 207

Date: December 12, 2006

Subject: Federal Employees Health Benefits (FEHB) Program: Loss of TRICARE Reserve Select for Selected Reserve Members Eligible for FEHB Enrollment

BACKGROUND

The John Warner National Defense Authorization Act for 2007 (P.L. 109-364), signed by President George W. Bush on October 17, 2006, excludes individuals eligible for health insurance under the FEHB Program from coverage under TRICARE Reserve Select (TRS). Therefore, **Selected Reserve members who are eligible for FEHB will lose their TRS coverage when this provision of the law takes effect** not later than October 1, 2007.

PURPOSE

We expect that employees and annuitants who will lose their TRS because of this legislation will contact you to request that you either reinstate their previously terminated FEHB or allow them to enroll in FEHB. This letter explains how to honor those requests.

REINSTATEMENT OF FEHB

Employees and annuitants whose FEHB terminated during active duty, and completed a Waiver of Immediate Reinstatement of FEHB because they had Transitional TRICARE and /or TRS, may ask you to reinstate their FEHB effective the day after their TRS coverage ends. (See BAL 05-402 and BAL 05-411.) To reinstate coverage, employees or annuitants must first revoke their waiver by signing and dating the revocation request at the bottom of the waiver. You must then complete Standard Form (SF) 2810 to notify the enrollee, payroll office, and insurance carrier of the reinstatement.

Once coverage has been reinstated under the enrollee's former enrollment code, the enrollee has an opportunity to make an enrollment change. The loss of TRS coverage is a Qualifying Life Event (QLE) that permits employees and annuitants to change their reinstated FEHB enrollment from 31 days before to 60 days after the date TRS ends. The QLE code on SF 2809 is 1M for employees and 2G for annuitants.

NEW ENROLLMENTS

Employees who do not qualify for reinstatement of their FEHB and who provide written

verification from TRICARE showing the ending date of their TRS coverage, have an opportunity to enroll because of the loss of their TRS. The QLE code on SF 2809 is 1M and employees must enroll from 31 days before to 60 days after the date TRS ends.

TRANSITIONAL TRICARE REMAINS THE SAME

This new legislation will affect only those who would have been eligible for TRS when their transitional TRICARE ends. Thus the guidance in BAL 05-402 concerning delayed reinstatement of FEHB to use Transitional TRICARE remains the same.

CONCLUSION

Please assist your employees or annuitants in avoiding any breaks in health insurance coverage between the end of their TRS coverage and the beginning of their FEHB benefits.

If you have further questions about the FEHB Program or TRS, please contact Ronald Brown at 202.606.0004 or by e-mail at Ronald.Brown@OPM.gov. As we develop questions and answers about this topic, we will add them to the Frequently Asked Questions section on our FEHB webpage at www.opm.gov/insure/health.

Sincerely,

Robert F. Danbeck
Associate Director
for Human Resources Products and Services