
FEHB Program Carrier Letter

All FEHB Carriers

U.S. Office of Personnel Management
Healthcare and Insurance

Letter No. 2011-02

Date: February 3, 2011

Fee-for-Service [2] Experience-rated HMO [2] Community-rated [2]

SUBJECT: Demonstrating Value through Clinical and Financial Integration

This Carrier Letter requests information on service integration pilots that FEHB carriers may be conducting and that may be appropriate for the Federal population. Health care reform is coalescing efforts to focus care coordination resources, advance the use of technology, and improve patient care, quality, and outcomes. Three popular initiatives are Bundled Payments, the Patient-Centered Medical Home, and Accountable Care Organizations. In this regard, we are very interested in the activities that you are engaged in or sponsoring.

We are asking all carriers to report on programs that are in the planning stages, currently underway, or are recently completed for your other lines of business and the FEHB Program. Our collective hope is to improve healthcare delivery and reign in healthcare costs over the long term. Attachment A asks questions about Payment Bundling, Attachment B asks about the Patient-Centered Medical Home, and Attachment C asks about the Accountable Care Organization. Attachment D asks general questions about various programs that carriers may want to also suggest.

Your responses will be extremely helpful as we assess potential enhancements in care delivery and payment reform. We are equally interested in learning what, if any, barriers might impede the creation of integrated care programs. We will also consider offering incentives to carriers who promote use of integrated care if they meet expectations and demonstrate results.

After receiving your feedback, we plan to conduct further analysis and modeling to estimate the impact on health plan premiums and program outlays before making a determination of the potential effectiveness of these programs for our Federal population.

Please email your responses to your OPM Contract Specialist by **February 24, 2011**. If your report is not submitted on time, we will not be able to evaluate it.

For Attachments A, B, and C

Please answer the yes or no questions, where applicable, in a spreadsheet and provide narrative for all other remaining questions.

Don't forget to write your health plan's name and the two digit enrollment code on the document you submit.

If you have any questions regarding your report, please contact your OPM Contract Specialist and email them a copy of the completed report.

Thank you for your assistance and cooperation.

Sincerely

John O'Brien
Director
Healthcare and Insurance