SUBJECT: Updated Participation in the DoD/FEHB Demonstration Project

The Department of Defense (DoD) has added two new sites to the Demonstration Project -- Coffee County, Georgia, and Adair County, Iowa. There is no change to other sites. We used current service areas to develop the enclosed list of plans that must participate in the Project for 2001. The list also designates plans whose participation is optional. If a plan has more than one enrollment code affected by the Demonstration Project, we’ve listed each code.

- If you are not on the enclosed list and do not expect to expand into a Demonstration Project area, you don’t have to do anything.

- If you are on the enclosed list, you must submit a rate proposal for the Demonstration Project by May 31, when you submit your FEHB rate proposal. Although DoD and FEHB benefits must be the same, you must develop DoD rates separately.

- If your service area is in or near any of the Demonstration Project sites, and you intend to propose a service area expansion or reduction for 2000-2001, contact your contract specialist immediately. We will consider the impact of any change on your obligation to participate.

Consistent with the statutory requirements for the Demonstration Project and the FEHB Program, we used the following policies to determine plan participation:

- Open Fee-for-Service plans must participate.

- Fee-for-Service plans that limit enrollment to specific groups will not participate.

- Health Maintenance Organizations and Point of Service plans in the Demonstration Project areas must participate unless the plan has fewer than 300 FEHB enrollees, or the plan’s service area includes only a limited portion of the Demonstration Project site (as determined by the Office of Personnel Management). In these cases, participation is optional. Plans may elect to participate by submitting a rating proposal for the Demonstration Project).
All previous guidance about this project applies. The following Carrier Letters discuss the Demonstration Project:

1. 1999-005, Feb 1: Military Retirees’ FEHB Coverage Demonstration Project
2. 1999-021, Apr 28: Participation in the DoD/FEHB Demonstration Project
3. 1999-030, July 16: DoD/FEHB Demonstration Project
4. 1999-049, Sep 28: DoD/FEHB Demonstration Project and Health Fairs
5. 1999-057, Nov 2: DoD/FEHB Demonstration Project
6. 2000-01, Jan 2: DoD/FEHB Demonstration Project
7. 2000-08, Feb 28: Reporting Requirements for Carriers participating in the DoD/FEHB Demonstration Project
8. 2000-19, May 1: 2000 Rate Instructions for DoD Project Community-Rated Carriers

If you have questions about the DoD/FEHB Demonstration Project or participation requirements, please call Eric Figg at (202/606-0745).

Sincerely,

(signed)
Frank D. Titus
Assistant Director
for Insurance Programs

Enclosure(s)
Plan Participation in DoD/FEHB Demonstration Project

Fee-for-service Plans

Alliance Health Plan (1R)
APWU Health Plan (47)
Blue Cross & Blue Shield (10)
GEHA Benefit Plan (31)
Mail Handlers (45)
NALC (32)
Postmasters (36)

Health Maintenance Organizations and Point of Service Plans

1. Demonstration Site -- Dover AFB, DE

   Delaware
   Aetna US Healthcare - All of Delaware (NK)

   Maryland
   Aetna US Healthcare North/Central MD (JN) *(optional)*
   Free State Health Plan - All of Maryland (LD)
   George Washington University HP – Central/Southern MD (E5) *(optional)*
   MD-IPA - All of Maryland (JP)
   Prudential Healthcare HMO - Most of Maryland (JB)

2. Demonstration Site -- Puerto Rico

   Triple-S - All of Puerto Rico (89)
   MCS Life – All of Puerto Rico (7J) *(optional)*

3. Demonstration Site -- Fort Knox, KY

   Advantage Care – Central/Eastern KY (XW) *(optional)*
   Aetna US Healthcare - Lexington/Louisville areas and southern IN (RD)
   Bluegrass Family Health – Central/Eastern KY (2B) *(optional)*
   Humana Care Plan - Louisville area (18)
   Humana Health Plan - Lexington/Louisville and southern IN (D2)
   The M*Plan – Central/NE/SW IN (IN)
   Welborn HMO – Evansville, IN area (H3) *(optional)*
4. **Demonstration Site -- Greensboro/Winston-Salem/High Point, NC**

   - Aetna US Healthcare – Charlotte/Metrolina area (3G) *(optional)*
   - Doctors Health Plan – Greater Tri/Char/Up-Low Cape Fear (6D) *(optional)*
   - PARTNERS NHP of NC - Most of NC (EQ)
   - QualChoice – Northwestern NC (7Q) *(optional)*
   - United HC of NC - Central/Eastern/Western (XM)

5. **Demonstration Site - Dallas, TX**

   - Aetna US Healthcare - Dallas/Ft Worth areas (TS)
   - HMO Texas, LC - Dallas/Ft Worth areas (UK)
   - Humana Health Plan of TX - Austin/Dallas/Houston/San Antonio/Corpus Christi (TW)
   - NYLCare Health Plans SW - Dallas/Ft Worth/East & West TX (V2)
   - PacifiCare of TX - San Antonio/Houston/Galveston/Dallas/Ft Worth/Gulf Coast (GF)

6. **Demonstration Site -- Humboldt County, CA**

   - Blue Shield of CA Access+HMO - Most of CA (SJ)*
   - Blue Cross CaliforniaCare - Most of CA (M5) *
   - CIGNA HealthCare of CA - Northern/Southern CA (9T)*
   - Health Net - Most of California (LB)*
   - PacifiCare of CA - Most of CA (CY)*

   * also serves the Camp Pendleton area

7. **Demonstration Site -- Naval Hospital, Camp Pendleton, CA**

   - Aetna US Healthcare - Southern CA area (2X)
   - Blue Shield of CA Access+HMO - Most of CA (SJ)
   - Blue Cross CaliforniaCare - Most of CA (M5)
   - CIGNA HealthCare of CA - Northern/Southern CA (9T)
   - Health Net - Most of California (LB)
   - Kaiser Permanente - Southern CA (62)
   - Maxicare Southern CA - Southern CA (CM)
   - National HMO Health Plan – Northern/Central/Southern CA (NM) *(optional)*
   - PacifiCare of CA - Most of CA (CY)

8. **Demonstration Site -- New Orleans, LA**

   - Aetna US Healthcare - New Orleans area (NG)
   - Blue Cross and Blue Shield Standard (POS) - New Orleans area (10) – FFS plan
   - Maxicare Louisiana - Baton Rouge/New Orleans areas (JA)
9. **Demonstration Site -- Coffee, GA**

**Georgia**
Aetna/US HealthCare – Atlanta/Atl/Augusta/Athens/Macon areas (2U)
Healthcare, Inc. – Atlanta/Macon areas (XJ) *(optional)*
Prudential Health Care HMO – Atlanta (EZ)

**Florida**
Av-Med Health Plan – Orlando Area *(optional)* (GP)
Av-Med Health Plan – Gainesville area (JF)
Capital Health Plan – Tallahassee area *(optional)* (EA)
Foundation Health – Central Florida *(optional)* (5D)
Humana Health Plan – Orlando/Gainesville area *(optional)* (7F)
Humana Health Plan – Jacksonville (P5)
Humana Medical Plan – Daytona (P7)
Prudential Healthcare HMO – Central Florida area *(optional)* (EH)

10. **Demonstration Site -- Adair, IA**

**Iowa**
Care Choices – Sioux City areas in Iowa, Nebraska, and S. Dakota (FA)
Health Alliance - (7X) *(optional)*
Principle Health Care of Iowa - (SV)
SecureCare of Iowa - (3Q) *(optional)*

**Missouri**
Aetna US Health Care – Metro St. Louis area *(optional)* (6T)
BlueCHOICE – St. Louis/Central/S.West/Poplar Bluff areas (9G)
Health Partners of the Midwest – St. Louis and Columbia areas (RN)
Humana Kansas City (MS)
Kaiser Permanente – Kansas City Area (HA)
Mercy Health Plans – East and Central Missouri (7M)
Prudential Health Care HMO – Kansas City area (1K)
Prudential Health Care HMO – St Louis area (VZ)

**Minnesota**
Blue Cross Blue Shield-Standard Option – (104/105)
Health Partners Classic – Minneapolis/St. Paul/St. Cloud (53)
Health Partners Health Plan – Minneapolis/St. Paul/St. Cloud/S. Central Minnesota (HQ)