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

FEHB Program Carrier LetterAll Community-Rated Carriers

Letter No. 2001-15 Date: May 1, 2001

Fee-for-service [---] Experience-rated HMO [---] Community-rated [14]

SUBJECT: 2002 RATE INSTRUCTIONS

DoD Demonstration Project -- Community Rated Carriers

The Department of Defense (DoD) has entered into an agreement with the Office of Personnel Management (OPM) to conduct a demonstration project in which Medicare eligible DoD beneficiaries may enroll in heath benefit plans offered through the Federal Employees Health Benefit Program (FEHBP). The project will run for three years from January 1, 2000, through December 31, 2002.

Ten sites have been selected for the project, with a limit of 66,000 eligible people. Based on the sites selected, your plan is eligible to participate in the DoD demonstration.¹

We are enclosing the following:

- 1. A chart which shows the eligible DoD population over age 65 broken down by site, age, and sex for the ten sites. ¹
- 2. Documents which, when you have completed and returned them to OPM, will constitute your 2001 rate proposal for the DoD group. The rate instruction document entitled "DoD Rating Guidelines 2002" is an overall view of the rating policy for 2002.

By the regulatory deadline, May 31, 2001, you must submit:

- ✓ your rate proposal and
- ✓ the completed Attachments A, B, B1, and C

¹ Your plan is eligible to participate if shown on the enclosed chart. Chart does not include age and sex demographics which are the same as last year.

Please send one copy of the rate submission to each of the following addresses:

Ms. Nancy H. Kichak Director, Office of Actuaries Office of Personnel Management 1900 E Street, NW., Room 4307 Washington, DC 20415

and

If by regular mail:

Abby Block

Office of Personnel Management

P.O. Box 707

Washington, DC 20044-0707

If by overnight delivery:

Abby Block

Assistant Director for Insurance Programs Assistant Director for Insurance Programs

Office of Personnel Management 1900 E Street, NW, Room 3424 Washington, DC 20415-0001

Please direct your questions about the 2002 DoD rate submission to Sherry Simon at (202) 606-4119, or at actuary@opm.gov (e-mail).

> Sincerely, ally L. Blok

Abby L Block **Assistant Director**

for Insurance Programs

Enclosures