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# **FEHB Program Carrier Letter**

## **Community-rated Carriers**

**U.S. Office of Personnel Management**  
Insurance Services Program

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**Letter No. 2006-05**

**Date:** March 15, 2006

Fee-for-service [ n/a ]   Experience-rated HMO [n/a]      Community-rated HMO [6]

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**SUBJECT: Reconciliation Instructions for 2006 Rates --  
Community-Rated Carriers**

Most community rated carriers must complete some of the enclosed documents (Attachments III, IV, V and VI) to reconcile their 2006 Federal rates. These documents comprise the final part of the 2006 Rate Proposal. To decide which attachments apply to you, see the following chart:

<b>Step</b>	<b>If...</b>	<b>Then...</b>
1.	Your 2005 income from the Federal group was <u>less</u> than \$500,000,	Stop here. You do not need to complete the enclosed documents. If your 2006 rates were reduced to generate a contingency reserve payment, it will be sent automatically in the summer.
2.	<ul style="list-style-type: none"><li>✓ You had more than 1500 contracts at the time of the 2006 rate proposal, or</li><li>✓ You are a small carrier that filed as large by submitting detailed documentation with your rate proposal,</li></ul>	<p>You must EMail Attachments III through VI by April 28, <b>2006</b>, to <a href="mailto:Actuary@opm.gov">Actuary@opm.gov</a>.</p> <p>Send any documents which cannot be Emailed to:</p> <p style="margin-left: 40px;">Actuary Group Office of Personnel Management 1900 E St, NW, Rm 4307 Washington, DC 20415</p>
3.	You are a small carrier with more than \$500,000 income and did not file as a large carrier.	You must complete Attachments III, IIIA, IIIB and V, and keep them on file and available for OPM review.

The enclosed document entitled "OPM Reconciliation Guidelines 2006" gives pertinent definitions and an overall view of our 2006 reconciliation policy.

All carriers, except those with income less than \$500,000 in 2005, must complete the Reconciliation Questionnaire (Attachment IIIB) as indicated by the following table.

If you use...	Then you must complete...
Traditional Community Rating	Sections IIIB (1),(2),(3)
Community Rating by Class	Sections IIIB (1),(2),(4)
Adjusted Community Rating	Sections IIIB (1),(2),(5)

If you have questions about the reconciliation please call Sherry Simon or Sharon Tu at (202) 606-0722, or send an email to us at [actuary@opm.gov](mailto:actuary@opm.gov). **This year's reconciliation is being Emailed to you as a word document. Please email the completed forms as a word document to the above email address. Please send any documents which cannot be Emailed by overnight delivery.**

Sincerely,

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

Enclosure