
FEHB Program Carrier Letter

All Community-Rated Carriers

U.S. Office of Personnel Management
Insurance Services Programs

Letter No. 2008 - 08

Date: April 14, 2008

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

SUBJECT: 2009 RATE INSTRUCTIONS -- Community-Rated Carriers

Please use the enclosed documents to prepare your 2009 rate proposal. You must submit your proposal and the completed attachments by **May 31, 2008**. May 31 is the deadline required by regulations and no one can grant extensions.

See the enclosed "OPM Community Rating Guidelines - 2009" for pertinent definitions and an overall view of our community rating policy for 2009.

If a carrier has more than 1500 FEHBP contracts at the time of the rate proposal:

- The carrier is considered a large carrier. The carrier must complete and submit Attachments II, IIA, IIB, and IIC.

If a carrier has less than 1500 FEHBP contracts at the time of the rate proposal, the carrier must choose between the following options:

- Submit the same detailed documentation required for large carriers (see above). A carrier that chooses this option will be considered a large carrier.

OR

- If the carrier's 2008 income from the Federal group will be greater than or equal to \$650,000, the carrier must complete Attachments I, IA, II, IIA, IIB, and IIC and submit Attachments I, IA, IIB, and IIC. A carrier should not send Attachments II and IIA to OPM; however, these documents must be kept on file and available for OPM review in accordance with the records retention clause of the contract. A carrier that chooses this option will be considered a small carrier;
- If the carrier's 2008 income from the Federal group will be less than \$650,000, the carrier must complete and submit Attachments I, IIB, and IIC. Such a carrier need not complete or retain Attachments IA, II and IIA. A carrier that chooses this option will be considered a small carrier.

This proposal is being e-mailed to you as a Word document. This year your proposal should be submitted electronically. Please e-mail your proposal as a Word document to Actuary@opm.gov. Please send any additional information by overnight delivery to each of the following addresses:

Lorraine Dettman
Assistant Director for Insurance Services Program
Office of Personnel Management
1900 E Street, N.W., Room 3400
Washington, DC 20415-0001

and

Sherry Simon
Actuary
Office of Personnel Management
1900 E St, NW, Room 4307
Washington, DC 20415

Also, please remember your first quarter enrollment report, Table 1, is due on April 15 to:

Eric Figg
Office of Personnel Management
Office of Insurance Programs
1900 E Street, N.W., Room 3415
Washington, DC 20415-0001
or fax to (202) 606-0036

Please direct your questions about the 2009 rate submission to Sherry Simon, Sharon Tu, or Chris Vaughn-Uding at (202) 606-0722, or actuary@opm.gov.

Sincerely,

Kay T. Ely
Associate Director
Human Resources Products and Services Division

Enclosures