
FEHB Program Carrier Letter

All Carriers

U.S. Office of Personnel Management
Insurance Operations

Letter No. 2010-18

Date: September 9, 2010

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

SUBJECT: Patient Protection and Affordable Care Act

On March 23, 2010, President Obama signed the Affordable Care Act, (ACA), Public Law 111-148. As a result of this law, children will be eligible for health coverage under their parent's Self and Family enrollment up to age 26. Also, the law:

- allows married children to be covered;
- removes dependency requirements;
- removes residency requirements; and
- does not require a child to be a student or have prior or current insurance coverage to be placed on their parent's Self and Family enrollment.

For the FEHB Program, this provision is effective on January 1, 2011. The purpose of this letter is to assist you in implementing this change and to offer sample letters for notifying FEHB Program enrollees.

Changes in Dependent Eligibility Rules

In addition to extending a child's eligibility to age 26, the ACA resulted in other changes for dependent coverage. OPM will update FEHB guidance and enrollment forms to reflect these changes.

Following are the changes to FEHB dependent requirements:

Children	Effect of ACA
Between ages 22 and 26	Children between the ages of 22 and 26 are eligible for coverage under their parent's Self and Family enrollment up to age 26.
Married Children	Married children (but NOT their spouse or their own children) are eligible for coverage up to age 26. This is true even if the child is currently under age 22.

Children	Effect of ACA
Children with or eligible for Employer-Provided Health Insurance	Children who are eligible for or have their own employer-provided health insurance are eligible for coverage up to age 26.
Stepchildren	Stepchildren do not need to live with the enrollee in a parent-child relationship to be eligible for coverage up to age 26.
Children Incapable of Self-Support	Children who are incapable of self-support because of a mental or physical disability that began before age 26 are eligible to continue coverage.
Foster Children	Foster children are eligible for coverage up to age 26.

FEHB Program Carriers Must Notify Enrollees of the Change in Dependent Eligibility

In your 2010 open season communications to your current enrollees, you must include information on the above changes to dependent eligibility rules. Please send your communications no later than November 1, 2010. We have developed and attached the following sample letters for you to send based on the type of enrollment:

- Self and Family enrollments – Attachment 1;
- Self Only enrollments – Attachment 2;
- Temporary Continuation of Coverage (TCC) and Spouse Equity: Self and Family enrollments – Attachment 3;
- TCC and Spouse Equity: Self Only enrollments – Attachment 4.

Self and Family Enrollees

The effective date of coverage under a Self and Family enrollment for a newly eligible child is January 1, 2011. To add a newly eligible child, you should ask enrollees to provide you current information on the child. The enrollee will not complete an SF 2809 or use an agency self-service enrollment system to add children to their existing Self and Family enrollment. You may also ask for a copy of a child's birth certificate or other documentation in order to verify eligibility for coverage.

You may initially deny benefits for any individuals who do not appear on your enrollment records, i.e. eligible children you are not notified about. However, if you later receive enrollment information on an eligible child, you must process any claims for services rendered on or after January 1, 2011.

In the case of an individual that has a Self and Family enrollment in plan year 2010 and changes plans during the 2010 Open Season, claims for newly eligible children incurred on January 1, 2011 must be paid by the plan responsible on that date.

Attachment 1 has sample language for you to use in communicating with all your Self and Family enrollees, **except** those who have TCC or Spouse Equity enrollments (payroll office number 24777777).

Self Only Enrollees

The communication to Self Only enrollees, **except** those who have TCC or Spouse Equity enrollments (payroll office number 24777777), must state that if they wish to cover a newly eligible child, they must change their enrollment to Self and Family and include the child on their SF 2809 or electronic enrollment action.

We expect that you will receive changes to Self and Family to include a newly eligible child under either of 2 events:

- **Change in Family Status:** The individual may change enrollment from 31 days before to 60 days after January 1, 2011 under the “Change in Family Status” Qualifying Life Event (QLE). The change to Self and Family will take effect on the first day of the pay period that includes January 1, 2011; therefore the child or children will be covered as an eligible family member(s) effective January 1, 2011.

Our guidance to Federal agencies, the Guide to Federal Benefits, and our website materials will encourage enrollees who have an Open Season effective date after January 1, 2011 to exercise their right to change to Self and Family using the “Change in Family Status” QLE. For most employees, the effective date of the enrollment change will be December 19, 2010. This assures that the child will be covered on January 1, 2011 when they become eligible under the ACA.

- **Open Season:** The change to Self and Family will take effect on the first day of the first pay period that begins in January 2011. For most employees, this will be **January 2, 2011**. For recipients of Office of Workers’ Compensation (OWCP) benefits, it will be **January 16, 2011**. For a few other agencies and retirement systems, the date may be different. Please note that if the Open Season enrollment is effective after January 1, 2011, the child is **not** covered until the effective date of the change in enrollment.

For United States Postal Service employees, CSRS/FERS annuitants, Temporary Continuation of Coverage (TCC) enrollees and former spouses, an Open Season change to Self and Family is effective January 1, 2011. These enrollees may use either the Change in Family Status event or Open Season to provide coverage for their eligible children on January 1, 2011. This is also true for other agencies and other retirement systems with a pay period that begins on January 1, 2011.

Attachment 2 has sample language for you to use in communicating with your Self Only enrollees.

Temporary Continuation of Coverage (TCC) and Spouse Equity Enrollees

These enrollees are under payroll office number 24777777 (National Finance Center (NFC)) and include the groups described below. Please notify them in the same manner as other FEHB enrollees, using the appropriate sample language:

- **Children who no longer meet current eligibility requirements:** This includes children over age 22, married children, stepchildren and recognized natural children who stopped meeting dependency or residency requirements. These children may currently be enrolled in Self Only or have a Self and Family enrollment to cover their own spouse and children. Even though they will be eligible for coverage under the parent's Self and Family FEHB enrollment up to age 26, the child's spouse and child(ren) are not eligible.
- **Former employees:** They may have either a Self and Family or Self Only enrollment. When adding a child to a Self and Family enrollment, ask the enrollee to provide current information on the child. Former employees with a Self Only enrollment must change to Self and Family to cover newly eligible children.
- **Former spouses with a TCC or Spouse Equity enrollment:** An eligible child of a former spouse under TCC or Spouse Equity means the natural or adopted child of the former spouse and the employee or annuitant. When adding a child to a Self and Family enrollment, ask the enrollee to provide current information on the child. Former spouses with a Self Only enrollment must change to Self and Family to cover newly eligible children.

Attachment 3 has sample language for you to use in communicating with your Self and Family TCC and Spouse Equity enrollees.

Attachment 4 has sample language for you to use in communicating with your Self Only TCC and Spouse Equity enrollees.

Children who Converted to an Individual Policy

In some situations, children who lost coverage under a parent's FEHB Self and Family enrollment may have converted to an individual policy. If you are able to readily identify and contact these children who are under age 26, please inform them of the new FEHB eligibility rules as a result of the ACA.

Children with Employer-provided Health Insurance

Coordinate benefits with the child's insurance according to the National Association of Insurance Commissioners "Rules for Coordination of Benefits". These rules are in Appendix D of the Standard Contract.

We appreciate your cooperation in this matter. If you have any questions, please contact your Contract Specialist.

Sincerely,

William Zielinski
Associate Director
for Retirement and Benefits

SAMPLE LETTER FOR SELF AND FAMILY ENROLLEES:

Dear [*Enrollee*],

On March 23, 2010, President Obama signed the Affordable Care Act, (ACA), Public Law 111-148. Beginning January 1, 2011, children, either married or unmarried, are covered under their parent's Self and Family enrollment up to age 26. The purpose of this letter is to provide you with information on how the ACA will affect dependent eligibility under the Federal Employees Health Benefits (FEHB) Program.

What This Means for You

Your children between the ages of 22 and 26 or your married children who are currently ineligible for FEHB coverage may be added to your Self and Family enrollment and be covered up to age 26.

Under the new law, children:

- Do not have to live with the enrolled parent, be financially dependent on the enrolled parent, or be students to remain covered until age 26.
- Are covered under the enrolled parent's Self and Family enrollment even if they are eligible for or have their own employer-provided health insurance coverage.
- Are not required to have any form of continuous health insurance, such as Temporary Continuation of Coverage, leading up to the effective date of their eligibility.

What You Must Do If You Want to Add a Newly Eligible Child to Your FEHB Enrollment

- To add your newly eligible child(ren) to your Self and Family enrollment effective January 1, 2011, provide us with the below information [*Plan insert necessary information blocks - such as family member information gathered on the SF 2809 including information on other health insurance coverage*] by [*Plan insert date*].

[Plan insert how it will receive enrollee information]. We may ask for a copy of your child's birth certificate or other documentation in order to verify eligibility for coverage.

- If you are changing plans or options during the 2010 open season, be sure to include on your SF 2809 or electronic enrollment action children who will be newly eligible on January 1, 2011.
- For children with a Temporary Continuation of Coverage (TCC) FEHB enrollment, their plan will notify them that they are again eligible for coverage under your Self and Family enrollment.

Children who lose coverage due to reaching age 26 are eligible for TCC for up to 36 months even if they previously had TCC.

Additionally:

- If your child has a spouse and/or children, the spouse and/or children are **not** eligible family members under your Self and Family enrollment.
- Coverage may extend beyond age 26 only if your child is incapable of self support due to a disability that began before age 26. If your child's condition is on the list at www.opm.gov/insure/health/reference/handbook/FEHB30.asp#, we, your agency, or your retirement system may make a determination. If your child's condition is not on this list, contact your agency or retirement system.
- For children who converted to an individual policy, they may no longer need that policy once they resume coverage under your Self and Family enrollment.

For additional information, please visit www.opm.gov/insure.

[Signature – plan administrator]

SAMPLE LETTER FOR SELF ONLY ENROLLEES:

Dear [*Enrollee*],

On March 23, 2010, President Obama signed the Affordable Care Act, (ACA), Public Law 111-148. Beginning January 1, 2011, children, either married or unmarried, are covered under their parent's Self and Family enrollment up to age 26. The purpose of this letter is to provide you with information on how the ACA will affect dependent eligibility under the Federal Employees Health Benefits (FEHB) Program.

What This Means for You

Our records show that you currently have a **Self Only** enrollment. If you have children under age 26 who are currently ineligible for FEHB coverage, you may cover them until their 26th birthday **if** you change to a **Self and Family** enrollment.

Under the new law, children:

- Do not have to live with the enrolled parent, be financially dependent on the enrolled parent, or be students to remain covered until age 26.
- Are covered under the enrolled parent's Self and Family enrollment even if they are eligible for or have their own employer-provided health insurance coverage.
- Are not required to have any form of continuous health insurance, such as Temporary Continuation of Coverage, leading up to the effective date of their eligibility.

If your child has a spouse and/or children, the spouse and/or children are **not** eligible family members under your Self and Family enrollment.

What You Must Do If You Want Your Child Covered Under the FEHB Program

You must change to a **Self and Family** enrollment through your agency or retirement system.

Your child will **not** be covered until your Self and Family enrollment takes effect.

- The date your child's coverage begins will depend on which event you use to change your enrollment to Self and Family: Change in Family Status Qualifying Life Event (QLE), or Open Season.

- **Change in Family Status:** You may change your enrollment from 31 days before to 60 days after January 1, 2011 as a Qualifying Life Event (QLE). The QLE code to use on the SF 2809 is '1C' for employees and '2B' for OWCP recipients.
 - Your change to Self and Family will take effect on the first day of the pay period that includes January 1, 2011.
 - Your child will be covered under your Self and Family enrollment when they become an eligible family member on January 1, 2011.
 - If you make your QLE change after January 1, 2011, you will pay retroactive premiums back to the effective date of the enrollment change.

- **Open Season:** You may change your enrollment between November 8 and December 13, 2010.
 - Your change to Self and Family will take effect on the first day of the first pay period that begins in 2011.
 - For most Federal employees, this will be **January 2, 2011**. If you are receiving OWCP benefits, it will be **January 16, 2011**. For a few other agencies, the date may be different. The office that maintains your FEHB enrollment can give you more specific information.
 - Coverage for your child will not begin until the effective date of your Open Season change.
 - If your Open Season enrollment change to Self and Family takes effect **after** January 1, 2011, your child will **not** be covered on January 1, 2011.

For United States Postal Service employees, CSRS/FERS annuitants and former spouses, a change in enrollment made either as a change in family status or open season will provide coverage of eligible children on January 1, 2011. This is also true for other agencies or retirement systems with a pay period that begins on January 1, 2011.

If you are not sure what code to use to change your enrollment to a Self and Family enrollment, please contact your agency or retirement system.

Additionally:

- Coverage may extend beyond age 26 only if you are enrolled in a Self and Family plan and your child is incapable of self support due to a disability that began before age 26. If your child's condition is on the list at www.opm.gov/insure/health/reference/handbook/FEHB30.asp#, we, your agency, or your retirement system may make a determination. If your child's condition is not on this list, contact your agency or retirement system.

- If you change plans or options in addition to your change to Self and Family, be sure to include on your SF 2809 or electronic enrollment action the names and birth dates of the children who will be newly eligible.
- For children with a Temporary Continuation of Coverage (TCC) FEHB enrollment, their plan will notify them that they are again eligible under your FEHB plan until age 26 **if you change to a Self and Family enrollment.**
- Children who lose coverage due to reaching age 26 are eligible for TCC for up to 36 months even if they previously had TCC.
- For children who converted to an individual policy, they are again eligible for coverage under your FEHB plan until age 26 and may no longer need this policy **if you change to a Self and Family enrollment.**

For additional information, please visit www.opm.gov/insure.

(Signature – plan administrator)

SAMPLE LETTER FOR TCC OR SPOUSE EQUITY SELF AND FAMILY ENROLLEES

Dear [*Enrollee*],

On March 23, 2010, President Obama signed the Affordable Care Act, (ACA), Public Law 111-148. Beginning January 1, 2011, children, either married or unmarried, are covered under their parent's Self and Family enrollment up to age 26. The purpose of this letter is to provide you with information on how the ACA will affect dependent eligibility under the Federal Employees Health Benefits (FEHB) Program.

Under the new law, children:

- Do not have to live with the enrolled parent, be financially dependent on the enrolled parent, or be students to remain covered until age 26.
- Are covered under the enrolled parent's Self and Family enrollment even if they are eligible for or have their own employer-provided health insurance coverage.
- Are not required to have any form of continuous health insurance, such as Temporary Continuation of Coverage, leading up to the effective date of their eligibility.

Our records show that you currently have a Self and Family Temporary Continuation of Coverage (TCC) or Spouse Equity enrollment in [*Plan*]. Please refer to your specific situation below for information that applies to you.

If You are a Former Federal Employee or Former Spouse:

What This Means

Your children between the ages of 22 and 26 or your married children who are currently ineligible for FEHB coverage may be added to your Self and Family enrollment and be covered up to age 26.

What You Must Do If You Want Your Child Covered Under the FEHB Program

- To add your newly eligible child(ren) to your Self and Family enrollment effective January 1, 2011, provide us with the information below [*Plan insert necessary information blocks – such as family member information gathered on the SF 2809 including information on other health insurance coverage*] by [*Plan determines date*].

[Plan insert how it will receive enrollee information.] We may ask for a copy of your child's birth certificate or other documentation in order to verify eligibility for coverage.

- If you are changing plans or options during the 2010 Open Season, be sure to include on your DPRS 2809 children who will be newly eligible on January 1, 2011.
- For children with their own Temporary Continuation of Coverage (TCC) FEHB enrollment, their plan will notify them that they are again eligible for coverage under your Self and Family enrollment.

Special Information for former employees:

If your child has his or her own **36-month** TCC enrollment, the length of his or her coverage may change if he or she becomes a family member under your **18-month** TCC Self and Family enrollment. Contact the National Finance Center (NFC) at 800-242-9630 or nfc.dprs@usda.gov for more information.

Special information for former spouses:

Your enrollment covers only you and any dependent natural or adopted child **of you and the Federal employee or annuitant.**

Additionally:

- If your child has a spouse and/or children, the spouse and/or children are **not** eligible family members under your Self and Family enrollment.
- Coverage may extend beyond age 26 until your enrollment terminates only if your child is incapable of self support due to a disability that began before age 26. If your child's condition is on the list at www.opm.gov/insure/health/reference/handbook/FEHB30.asp#, we can make a determination.

If the condition is on the list, or the condition does not appear on the list, one of the following can make a determination:

- the agency you worked for when you separated from Federal service (former employees)
- your former spouse's employing agency at the time of divorce (former spouses)
- Children who converted to an individual policy are again eligible for coverage under your Self and Family enrollment until age 26.

If you have additional questions, contact NFC at 800-242-9630 or nfc.dprs@usda.gov.

If You are a Child Who Lost Coverage Under Your Parent's FEHB Enrollment:

What This Means

You are again eligible for coverage under your parent's FEHB plan until you reach age 26 **if your parent has a Self and Family enrollment.**

Your parent's plan will send them a letter explaining how to add you to the enrollment. If your parent did not receive this letter, he or she should contact the plan.

- Your spouse and/or children, are **not** eligible family members under your parent's enrollment.
- You may continue your Self and Family TCC enrollment to cover your spouse and/or children.

If you no longer need your TCC Self and Family enrollment, you may cancel your TCC by sending a signed request specifying your desired cancellation date to:

USDA, National Finance Center
DPRS Billing Unit
PO Box 61760
New Orleans, LA 70161-1760

- Do **not** cancel your TCC enrollment until you are assured of the date you will be covered under your parent's plan:
 - If your parent has Self and Family coverage, you will be covered January 1, 2011 if your parent provides the plan with the information requested.
 - If your parent has Self Only coverage, your parent must change to Self and Family through the office that maintains his or her enrollment.

If you have additional questions, contact the National Finance Center at 800-242-9630 or nfc.dprs@usda.gov.

For additional information, please visit www.opm.gov/insure.

[Signature – plan administrator]

SAMPLE LETTER FOR TCC OR SPOUSE EQUITY SELF ONLY ENROLLEES

Dear [*Enrollee*],

On March 23, 2010, President Obama signed the Affordable Care Act, (ACA), Public Law 111-148. Beginning January 1, 2011, children, either married or unmarried, are covered under their parent's Self and Family enrollment up to age 26. The purpose of this letter is to provide you with information on how the ACA will affect dependent eligibility under the Federal Employees Health Benefits (FEHB) Program.

Under the new law, children:

- Do not have to live with the enrolled parent, be financially dependent on the enrolled parent, or be students to remain covered until age 26.
- Are covered under the enrolled parent's Self and Family enrollment even if they are eligible for or have their own employer-provided health insurance coverage.
- Are not required to have any form of continuous health insurance, such as Temporary Continuation of Coverage, leading up to the effective date of their eligibility.

Our records show that you currently have a Self Only Temporary Continuation of Coverage (TCC) or Spouse Equity enrollment in [*Plan*]. Please refer to your specific situation below for information that applies to you.

If You are a Child Who Lost Coverage Under Your Parent's FEHB Enrollment

What This Means For You

You are again eligible for coverage under your parent's FEHB plan until you reach age 26 **if your parent has a Self and Family enrollment.**

Your parent's plan will send them a letter explaining how to add you to the enrollment. If your parent did not receive this letter, he or she should contact the plan.

- If you have a spouse and/or children, your spouse and/or children are **not** eligible family members under your parent's enrollment.

- Do **not** cancel your TCC enrollment until you are assured of the date you will be covered under your parent's Self and Family enrollment:
 - If your parent has Self and Family coverage, you will be covered January 1, 2011, but he or she must provide their plan with the information requested.
 - If your parent has Self Only coverage, he or she must change to Self and Family through the office that maintains the enrollment.

You may cancel your TCC enrollment by sending a signed request specifying your desired cancellation date to:

USDA, National Finance Center
 DPRS Billing Unit
 PO Box 61760
 New Orleans, LA 70161-1760

If you have additional questions, contact the National Finance Center at 800-242-9630 or nfc.dprs@usda.gov.

If you are a former Federal employee or former spouse

What This Means For You

If you have children under age 26 who are currently ineligible for FEHB coverage, you may cover them until their 26th birthday **if you change to a Self and Family enrollment.**

If your child has a spouse and/or children, the spouse and/or children are **not** eligible family members under your Self and Family enrollment.

What You Must Do If You Want Your Child Covered Under the FEHB Program

- You must change to a Self and Family enrollment during the upcoming FEHB Open Season, which extends from November 8 to December 13, 2010.
- Coverage for your child will begin on January 1, 2011, the effective date of your change.
- You must make your change to Self and Family through NFC:

USDA, National Finance Center
 DPRS Billing Unit
 PO Box 61760
 New Orleans, LA 70161-1760

Special Information for former employees: For children who have their own **36-**month TCC enrollment, the length of their coverage may change if they become family members under their parent's **18-**month TCC Self and Family enrollment. Contact NFC at 800-242-9630 or nfc.dprs@usda.gov for more information.

Special information for former spouses: Your enrollment covers only you and any dependent natural or adopted child of you and the Federal employee or annuitant.

Additionally

- Coverage may extend beyond age 26 only if your child is incapable of self support due to a disability that began before age 26. If your child's condition is on the list at www.opm.gov/insure/health/reference/handbook/FEHB30.asp#, we can make a determination.

If the condition is on the list, or the condition does not appear on the list, one of the following can make a determination:

- the agency you worked for when you separated from Federal service (former employees)
 - your former spouse's employing agency at the time of divorce (former spouses)
- If you are also changing plans or options when you change to Self and Family, be sure to include on your DPRS 2809 children who will be newly eligible on January 1, 2011.
 - If your child has a Temporary Continuation of Coverage (TCC) FEHB enrollment, your child's plan will notify them that they can again be eligible under your FEHB plan until age 26 **if you change to a Self and Family enrollment.**
 - If your child converted to an individual policy, they can resume coverage under your FEHB plan until age 26 **if you change to a Self and Family enrollment.**

If you have additional questions, please contact the National Finance Center at 800-242-9630 or nfc.dprs@usda.gov.

For additional information, please visit www.opm.gov/insure.

[Signature – plan administrator]