

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Federal Benefits Open Season

November 11, 2019 – December 9, 2019



2019 Federal Benefits Open Season

November 11 through December 9, 2019

Healthcare and Insurance – Office of Personnel Management

Federal Benefits Open Season for the 2020 plan year for health insurance, dental and vision insurance and flexible spending accounts will be held from November 11 through December 9, 2019. The annual Federal Benefits Open Season gives Federal employees and retirees and other eligible individuals the opportunity to review their plan options, make changes, and enroll in coverage. During benefit and rate negotiations for the 2020 plan year, OPM focused on continuing to offer quality and affordable health, dental, and vision benefits to the Federal family.

Participating Programs

The Federal Employees Health Benefits (FEHB) Program

Established in 1960, the FEHB Program is the largest employer-sponsored health insurance program in the United States, providing health care benefits for about 8.2 million Federal civilian employees, retirees, and their families. The government contribution toward premium (for non-Postal employees and retirees) is 75 percent of the premium for an enrollee's particular plan option or the maximum government contribution, whichever is less. The maximum government contribution is calculated as 72 percent of the weighted average of all plan premiums.

Federal employees and retirees enjoy the widest selection of health plan options from which to choose in the country. For the 2020 plan year there will be 279 plan options across the entire FEHB Program. The actual number of options available to any given enrollee will be lower and will vary by geographic location, but will include a minimum of 18 nationwide plan options. Specific benefits information for individual plans will be posted on the [OPM website](#) in early November.

The Federal Employees Dental and Vision Insurance Program (FEDVIP)

The Federal Employees Dental and Vision Insurance Program (FEDVIP) is a voluntary program providing dental and vision benefits on an enrollee-pay-all basis to Federal civilian employees, retirees, and their families, as well as uniformed service retirees and their families. Active duty family members are eligible to enroll in vision coverage. Currently, there are approximately 2.9 million contract holders in dental plans and 1.8 million contract holders in vision plans.

FEDVIP allows dental and vision insurance to be purchased on a group basis with competitive premiums and no pre-existing condition limitations for enrollment. There are 15 dental plan options available across the Program with at least 10 dental plan options available to each potential enrollee. There are eight (8) vision plan options available to all potential enrollees. Specific plan information will be available on BENEFEDS.COM in early November.

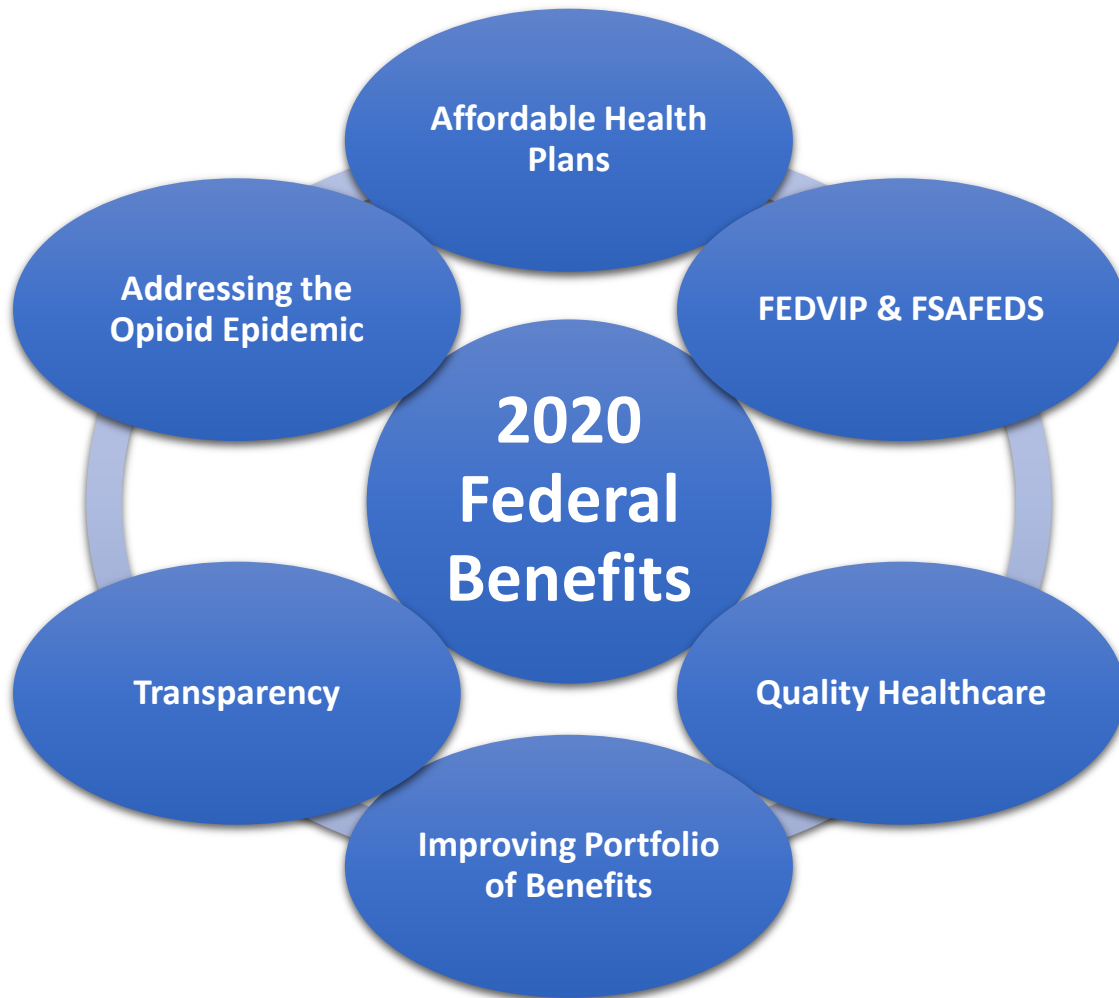
The Federal Flexible Spending Account Program (FSAFEDS)

FSAFEDS is the flexible spending account program for employees of the Federal government. FSAFEDS accounts are used for dependent and health care expenses and employee funds are set aside before taxes are deducted. Unlike the FEHB Program and FEDVIP, employees must re-enroll each year as coverage does not automatically continue into the next Benefit Period. Only active employees are eligible to participate – Internal Revenue Service regulations prohibit retirees from participating. Visit FSAFEDS.COM to learn more.

2020 Plan Year Priorities

In benefit and rate negotiations for the 2020 plan year, OPM has continued our focus on making quality and affordable health, dental, and vision benefits available to the Federal family. This is reflective of [OPM's Strategic Objective 1.4](#), to improve healthcare quality and affordability in the FEHB Program. OPM seeks to achieve this objective through informed consumer choice, market competition, and a sustained focus on healthcare quality. For the 2020 plan year, OPM is pleased to announce that the Indemnity Benefit Plan (IBP) will be available in addition to other new local plans. In addition, OPM, through the FEHB and FEDVIP plans, maintains its focus on our country's opioid crisis by implementing strategies to address this epidemic. OPM also focused efforts this year on increasing access to and the quality of transparency tools. Most FEHB Carriers offer some transparency tools to enrollees, and all Carriers are required to offer robust tools by plan year 2021.

As in past years, Federal employees are encouraged to consider the tax savings available for their out of pocket costs through the FSAFEDS Program.



Affordable Health Plans

2020 Federal Employees Health Benefits (FEHB) Program Rates

Rate averages below are based on 2019 plan enrollment.

- The overall average increase in rates for non-Postal employees and retirees will be 4.0%.
- The Government contribution will increase by 3.2%.
- The enrollee share will increase an average of 5.6%.
- For Self Only, the average premium increase is 3.3%.

- For Self Plus One, the average increase is 3.2%.
- For Self and Family, the average increase is 4.8%.

For plan year 2020, the average percentage increase in FEHB Program plan premiums is 4.0 percent. The increase is competitive with premium increases projected for or reported by other large private and public sector employers, which range from 4.5-6.5%. This year's increase, while higher than last year's historically low increase, is comparable to average FEHB increases experienced in most of the last 5 years.

OPM negotiates benefits and rates with FEHB Carriers to keep coverage affordable for enrollees. In most cases, major drivers of costs in the FEHB Program mimic those seen in the commercial market. Among these are pharmacy spending as new, expensive specialty drugs enter the market, as well as chronic illness costs and medical technology and innovation. Another contributor to the increased average premium is the Affordable Care Act's (ACA) [Health Insurance Providers Fee](#), which is paid by some plans in the FEHB Program, but does not apply to certain other large employers. There was a suspension of the Health Insurance Providers Fee for 2019, however, with the suspension lifted, the fee applies for 2020. It is estimated that for 2020, the fee leads to an increase of approximately 2% to premium overall, which is in line with industry-wide estimates of a 2.2% impact.

Maximum Government Contribution and Weighted Average Premiums

The 2020 biweekly maximum government contribution for non-Postal employees and annuitants (72% of the weighted average) is \$235.77 for Self Only, \$504.12 for Self Plus One, and \$546.47 for Self and Family. The monthly maximum government contribution (72% of the weighted average) is \$510.84 for Self Only, \$1,092.26 for Self Plus One and \$1,184.02 for Self and Family.

For 2020, the biweekly program-wide weighted average premiums for Self Only, Self Plus One, and Self and Family enrollments with a government contribution are \$327.46, \$700.17, and \$758.98 respectively. The monthly program-wide weighted average premiums for Self Only, Self Plus One, and Self and Family enrollments with a government contribution are \$709.50, \$1,517.04, and \$1,644.46, respectively.

2020 FEHB Program Rates

Rate averages below are based on the prior year’s enrollment.

All non-Postal and Annuitant Enrollees
Overall average premium increase is 4.0%.
Average government share increase is 3.2%.
Average enrollee share increase is 5.6%.
65.3% of enrollees will see an increase of 5% or less in their share of premiums

Non-Postal and Annuitant Enrollees	Postal Enrollees
Enrollees with Self Only coverage will pay \$4.72 more on average per biweekly pay period.	Enrollees with Self Only coverage will pay \$5.33 more on average per biweekly pay period.
Enrollees with Self Plus One coverage will pay \$9.63 more on average per biweekly pay period.	Enrollees with Self Plus One will pay \$10.95 more on average per biweekly pay period.
Enrollees with Self and Family coverage will pay \$14.20 more on average per biweekly pay period.	Enrollees with Self and Family coverage will pay \$13.81 more on average per biweekly pay period.

Historical Annual Average Premium Increases	
Year	Average Percent Increase
2020	4.0%
2019	1.3%
2018	4.0%
2017	4.4%
2016	6.4%

Prescription Drugs

Increasing drug utilization and rising drug prices continue to drive up FEHB Program premiums. Drugs for diabetes, anti-inflammatory agents, and cancer are consistently among the most costly therapeutic classes used in the FEHB. Recent U.S. spending growth on prescription medicines has largely been due to the introduction of new brand drugs and biologics, high prices and expanding indications for existing drugs and fewer patents expiring. In 2018, 28.6 percent of total FEHB expenditures were on drugs. Most FEHB Carriers also reported an increase in drug cost per member per year over 2017 expenditures.

The overall price of generics continue to have a downward effect on total drug spending. FEHB Carriers reported an increase in their generic dispensing rates (GDR). The rate of prescription drug spending in 2018 slowed compared to previous years and the overall market reported the lowest drug trends in over five years; a trend that was also observed in the FEHB Program.

Specialty drugs and biologics are generally defined as high cost medications that treat complex or rare diseases, require special monitoring, patient training, and need special handling, storage or distribution. Only 1-2% of prescriptions are written for specialty medications; however industrywide, they are expected to account for up to 45% of drug spend by 2023. As more specialty drugs come to market at higher prices, Carriers are increasingly having to manage the specialty drug spend under the pharmacy and the medical benefit. FEHB Carriers have put programs and processes in place to ensure clinically appropriate utilization of specialty medications, provide member support services, and efficient specialty provider network strategies.

FEDVIP Program and FSAFEDS

2020 Federal Employees Dental and Vision Insurance Program (FEDVIP) Rates

FEDVIP Rates — Dental

Overall 2020 average gross premium increased 5.6% for dental plans.

Average biweekly rates:

Self \$18.13

Self Plus One \$35.54

Self and Family \$52.10

Average monthly rates:

Self \$39.29

Self Plus One \$77.00

Self and Family \$112.88

These 2020 dollar amounts and rate increases are weighted by plan size based on 2019 dental enrollment.

FEDVIP Rates — Vision

Overall 2020 average gross premium increased 1.5% for vision plans

Average biweekly rates:

Self \$5.12

Self Plus One \$10.21

Self and Family \$14.77

Average monthly rates:

Self \$11.09

Self Plus One \$22.13

Self and Family \$31.99

These 2020 dollar amounts and rate increases are weighted by plan size based on 2019 vision enrollment.

For 2020, premiums were affected by the ACA Health Insurance Providers Fee and dental Carriers also recognized an increase in the utilization of services. Please note that the overall changes may not be indicative of any individual plan.

FSAFEDS

FSAFEDS is the flexible spending account program for employees of participating agencies within the Federal Government. It is a way for enrollees to save money on taxes because the money they set aside for medical and dependent care (including child daycare) expenses are deducted before taxes. Only active employees are eligible to participate – Internal Revenue Service regulations prohibit retirees from participating. Employees must re-enroll each year – coverage does not automatically continue to the next Benefit Period.

Enrollees can use Health Care Flexible Spending Account (HCFSA) money for out-of-pocket health, dental, and vision care expenses (such as copayments, deductibles and non-covered expenses). A number of FEHB and FEDVIP Carriers participate in the FSAFEDS paperless reimbursement program so that there is no need to file a claim with FSAFEDS to receive payment. Dependent Care

Flexible Spending Accounts (DCFSA) can be used to pay for expenses employees incur to care for eligible dependents, whether children or adults.

Employees who enroll in a Health Care or Limited Expense (LEX) Health Care FSA during the annual Federal Benefits Open Season will have 12 months to spend their election, but can carry over up to \$500 of unspent funds to a Health Care or Limited Expense FSA in the following year, provided they re-enroll.

For the 2020 plan year, the minimum/maximum for DCFSA (dependent care) is \$100.00/\$5,000. The amounts for HCFSA and LEX HCFSA (limited expenses) are established annually by the Internal Revenue Service; the 2020 maximum will be announced later this year. Employees should visit [FSAFEDS.COM](https://www.fsa.feds.com) during Open Season to enroll for the 2020 plan year.

Quality Healthcare

FEHB Carriers continue to respond to the changing healthcare environment, as well as offer innovative benefit designs to support the Federal family. OPM encourages all Federal employees and annuitants to re-assess their plan options during Open Season and ensure their choice of plan best suits their personal health needs. Through the FEHB Program Call Letter and the FEHB Plan Performance Assessment program, OPM called on FEHB Carriers to emphasize quality, mental health and substance use disorder services, opioid management, patient safety, and affordability in their benefit designs. The following are notable trends for 2020:

Chronic Condition Management

- In response to the designation of the Clinical Quality Measure "Comprehensive Diabetes Care," as a high priority measure under FEHB Plan Performance Assessment, approximately 97% of all plans in the Program reported having a diabetes management strategy in place.

Mental Health and Substance Use Disorder Benefits

- 32% of all plans proposed a new benefit for Mental Health and Substance Use Disorder to extend the duration of addiction treatment or length of stays as medically appropriate, as requested by the Call Letter.

- 13% of all plans proposed new benefits or services to leverage telehealth services for Mental Health Services in known Health Professional Shortage Areas, monitor provider access and availability, address provider shortages, and educate members regarding the availability of these services for 2020.
- 20% of all plans proposed a new benefit or strategy to provide telehealth services for Opioid Use Disorder (OUD) and other substance use disorder treatments.

Prescription Drug Benefits

- 24% of all plans proposed new benefits to incorporate prescription drug rebates at the point of sale for 2020.

Preventive Care

- 22% of the plans proposed new benefits to provide barrier-free coverage of and access to tobacco cessation, including individual, group, and telephone counseling, as well as coverage of and access to all FDA-approved cessation medications, including varenicline and combination Nicotine Replacement Therapy (NRT).
- Approximately 97% of all plans in the Program reported having a strategy in place in preparation for the new Clinical Quality Measure "Colorectal Cancer Screening."

The FEHB Tobacco Cessation Benefit

While cigarette smoking rates continue to decline nationally, the tobacco product landscape has evolved to include a variety of smoked, smokeless, and electronic tobacco products, including e-cigarettes. The 2019 Call Letter instructed Carriers to re-invigorate messaging about the comprehensive FEHB tobacco cessation benefit to providers and members, emphasize to providers the need to screen for all forms of tobacco products and refer users to appropriate cessation interventions, educate members about the risks of all forms of tobacco product use, and continue to encourage all tobacco product users to quit.

Medicare Coordination Benefits

FEHB Carriers continue to address and respond to the needs of our annuitants who are also Medicare beneficiaries. In total, 75 FEHB plan options offer some type of Medicare Part B incentive – either through copay, coinsurance or deductible waivers or Part B premium

reimbursement. The FEHB [Plan Comparison Tool](#) will make this information more readily available to enrollees.

The following plan options will now offer reimbursement for part or all of an enrollee's Medicare Part B premiums:

- GEHA (High)
- Health Alliance Plan (High & Standard)
- Kaiser Foundation Health Plan of Colorado (High & Standard)
- Kaiser Foundation Health Plan of the Northwest (Standard)
- MD. I.P.A. (High)
- UnitedHealthcare Choice Plus Advanced (Tampa, Orlando, Miami, and Atlanta) (Value)
- UnitedHealthcare Choice Plus Advanced (Chicago, San Antonio, DC, Northern Virginia, and Maryland) (Value)
- UnitedHealthcare Choice Open Access HMO (High)
- UnitedHealthcare Insurance Co. Choice Plus Primary Advantage - East Region (High)
- UnitedHealthcare Insurance Co. Choice Primary Advantage - East Region (High)
- UnitedHealthcare Insurance Co. Choice Plus Primary Advantage - West Region (High)
- UnitedHealthcare Insurance Co. Choice Primary Advantage - West Region (High)

This is in addition to the plan options that already offer some Medicare Part B reimbursement:

- Aetna Direct (CDHP)
- Blue Cross Blue Shield Service Benefit Plan (Basic)
- Kaiser Foundation Health Plan of Northern California (High)
- Kaiser Foundation Health Plan of Southern California (High)
- Kaiser Foundation Health Plan of the Northwest (High)
- Kaiser Foundation Health Plan of Washington (High & Standard)

Plan Performance Assessment

Plan Performance Assessment is designed to reinforce quality and value in the FEHB Program by linking measures of health outcomes and consumer experience to health plan profit. In addition to traditional parameters of contract compliance, the FEHB Plan Performance Assessment relies on a carefully curated set of commonly used Healthcare Effectiveness Data and Information Set (HEDIS) and Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures that collectively represent Clinical Quality, Customer Service, and Resource Use (QCR).

For the past three years, the Plan Performance Assessment high priority measures have remained Timeliness of Prenatal Care, Blood Pressure Control, and Plan All-Cause Readmissions. As in 2017, the FEHB program-wide average for 2018 on each of the three high priority measures exceeded the average of their respective national benchmark.

Enrollees can compare FEHB plan healthcare quality metrics on the [OPM website](#).

Improving the Portfolio of Benefits

One of the FEHB Program's hallmarks is offering a market-based program with multiple meaningful options available to all potential enrollees. OPM continuously strives to increase competition and diversity among health plans to foster quality and affordability.

For the first time in 30 years, a government-wide Indemnity Benefit Plan (IBP) will be offered in plan year 2020. Through a competitive process, OPM selected GEHA (Government Employees Health Association) as the exclusive Carrier for two new plan options under the IBP contract. The two plan options will be available nationwide to Federal employees and annuitants.

Many FEHB Carriers are continuing to offer new and innovative plan options and product designs. Enrollees should review all available options to find an affordable, quality health plan. OPM always encourages enrollees to carefully evaluate their coverage, as there may be lower cost options available that meet their healthcare needs.

With enhanced features including medical account display for HDHPs and CDHPs, OPM's [Plan Comparison Tool](#) (PCT) can help enrollees shop for healthcare coverage. The 2020 plan information will be available in the tool the first full week of November. Health plans with tiered networks will be able to display different levels of coverage on the PCT. Generally, the first tier of in-network coverage includes the lowest out-of-pocket expense for the consumer. The PCT will also feature a new Medicare display that allows individuals to see what they are expected to pay if they have both Medicare A and B as their primary coverage and FEHB as their secondary coverage.

New and Terminating Plans for 2020

There are 18 new plan options for 2020:

- Aetna Advantage (Advantage)
- Aetna Saver (Saver)
- CareFirst BlueChoice (Blue Value Plus)
- GEHA Indemnity Benefit Plan (Elevate Plus & Elevate)
- GHI Health Plan (HDHP)
- HMSA (Standard)
- Kaiser Foundation Health Plan of Georgia (Basic)
- MercyCare Health Plans (Standard)
- Presbyterian Health Plans (Wellness)
- Priority Health (Value)
- Quartz Health Benefit Plans (High & Standard)
- UnitedHealthcare Insurance Co. Choice Plus Primary Advantage - East Region (High)
- UnitedHealthcare Insurance Co. Choice Primary Advantage - East Region (High)
- UnitedHealthcare Insurance Co. Choice Plus Primary Advantage - West Region (High)
- UnitedHealthcare Insurance Co. Choice Primary Advantage - West Region (High)
- True Health New Mexico (High)

Plans no longer participating in the FEHB:

Two health plans will no longer participate in the FEHB Program in 2020: MVP Health Care in New York and Highmark Choice Company in Pennsylvania. Enrollees in these plans will have to select a new plan during Open Season; otherwise, per FEHB regulations, they will be automatically enrolled

in the lowest-cost nationwide plan option as determined by OPM, which is GEHA Indemnity Plan Elevate for 2020 plan year. Enrollees will know in advance if their health plan is terminating from two sources:

1. Pre-Open Season Letter from OPM to all agency benefit officers.
2. Notice to members from the terminating plans by mail.

2020 FEHB Plan Options

- 279 health plan options
- 18 Fee For Service plan options open to all
- 4 Fee for Service plan options with availability limited to certain groups
- 257 HMO plan options

The 279 plan options include:

- 19 High Deductible Health Plan (HDHP) options
- 28 Consumer Driven Health Plan (CDHP) options

Transparency

The 2019 Call Letter emphasized the ongoing need for consumers to have access to transparency tools to make informed choices about their healthcare coverage. Carriers offering transparency tools for drug cost and medical services help OPM achieve its Strategic Objective 1.4, to improve healthcare quality and affordability in the FEHB Program. Through past guidance, OPM has encouraged FEHB Carriers to make transparency tools available to current and potential enrollees and we are pleased to see that they have responded.

In 2019, 83% of FEHB plans have transparency tools and 27% combine cost and quality information into one tool. This is an increase from 2018, where 81% of Carriers reported offering transparency tools. The 2020 plan year negotiations continue the trend for increasing transparency tool availability and meeting the requirements for all plans to offer them in 2021. More specifically, 94% of plans have an existing benefit or a strategy in place for promoting the use of drug transparency tools and nearly half of plans will provide information about the average cost for common procedures without requiring a log-in.

OPM's continued efforts to enhance access to transparency tools reflects the Administration's strategic vision of reforming the American healthcare system through choice and competition, as recently articulated in Executive Order (E.O.) 13877, "Improving Price and Quality Transparency in American Healthcare To Put Patients First" (June 27, 2019). As the President states in E.O. 13877, "To make fully informed decisions about their healthcare, patients must know the price and quality of a good or service in advance."

Addressing the Opioid Epidemic

Addressing the opioid epidemic requires a sustained ongoing multi-pronged approach. FEHB data reveals a declining trend in opioid utilization, both in the number of opioid prescriptions and quantity dispensed per prescription. FEHB Carriers promote evidence-based pain management through coverage of and access to non-pharmacological therapies and non-opioid medications or devices used to treat pain. Carriers have put in place several processes and programs to reduce and prevent opioid misuse. All FEHB Carriers have implemented several strategies including:

- Maximum Daily Morphine Milligram Equivalents (MME) Safety Edits which may assist in identifying patients potentially at high clinical risk and may benefit from closer monitoring or care coordination
- Safety edits consistent with current medical best practice which limit the quantity of initial opioid prescriptions
- Prospective safety edits which requires the pharmacist to take further action to resolve the edit before the prescription can be dispensed. This includes concurrent utilization alerts that monitors patients who are currently prescribed opioids and other agents that may potentiate the effects of opioids
- Retrospective drug use reviews to identify patterns of inappropriate or medically unnecessary care, fraud or abuse.

FEHB Carriers have also implemented and improved upon programs to educate providers and members on safe opioid use, disposal of opioids, and increased access to naloxone-based rescue agents and medications used in Medication Assisted treatment (MAT).



U.S. Office of Personnel Management

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