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*The* **1999** Guide to  
Federal  
Employees  
Health Benefits Plans

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**for**  
**Federal Retirees**  
**and their**  
**Survivors**



United States  
Office of  
Personnel  
Management

Retirement and  
Insurance  
Service

RI 70-9  
Revised November 1998

# Our Commitment to Our Customers

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The U.S. Office of Personnel Management (OPM) administers the Federal Employees Health Benefits (FEHB) Program, the largest employer-sponsored health insurance program in the world. We interpret the health insurance laws and write regulations for the FEHB Program. We give advice and help to agencies and retirement systems so they can process your enrollment changes and deduct your premium. We also contract with and monitor your plan — and almost 300 other health plans — that pay claims or provide care to covered members.

## This is our commitment to you:

- Your choice of health benefits plans will compare favorably for value and selection with the private sector.
- When you use the FEHB Guide and plan benefit brochures, you will find they are clear, factual and give you the information you need.
- When you change plans or options, your new plan will issue your identification card within 15 days after it gets your enrollment form from your agency or retirement system.
- Your fee-for-service plan should pay your claims within 20 work days; if more information is needed, it should pay within 60 days.
- If you ask us to review a claim dispute with your plan, our decision will be fair and easy to understand, and we'll send it to you within 60 days. If you need to do more before we can review a claim dispute, we will tell you within 14 work days what you still need to do.
- When you write to us about other matters, we will respond within 30 days after we get your letter. If we need time to give you a complete response, we will let you know.



**Better Information**  
**Better Choices**  
**Better Health**

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## Things to Remember

- A number of plans withdrew from the FEHB Program.  
    Make sure your plan will be offered in 1999
  - Be aware of 1999 benefit changes
  - Check the 1999 premium

*The information in the 1999 Guide to Federal Employees Health Benefits (FEHB) Plans gives you an overview of the FEHB Program and its participating plans. Before making any final decisions about health plans, be sure to check the plans' brochure.*

# FEHB and You

The Federal Employees Health Benefits (FEHB) Program can help you meet your health care needs. Federal employees, retirees and their survivors enjoy the widest selection of health plans in the country. You can choose from among Managed Fee-for-Service (FFS) plans, regardless of where you live, or Plans offering a Point of Service (POS) Product and Health Maintenance Organizations (HMO) if you live (or sometimes if you work) within the area serviced by the plan. (See page 6 for definitions.)

Some FFS plans are open to all enrollees, but others require that you join the organization that sponsors the plan. Some plans limit enrollment to certain employee groups. Membership requirements and/or limitations also apply to any POS product the FFS plan may be offering.

Managed care is an important part of the FEHB Program. You will find managed care features in all the plans described in this Guide. Common features of managed care are pre-approval of hospital stays, the use of primary care providers as “gatekeepers” to coordinate your medical care, and networks of physicians and other providers.

You are fortunate to be able to choose from among many different health plans competing for your business. Use this Guide to compare the costs, benefits, and features of different plans. The plan brochures tell you what services and supplies are covered and the level of coverage. Look over the brochures carefully, especially the Changes page of your current plan to see how benefits have changed from last year. You can get brochures from the health plans. They are also available on our web site at [www.opm.gov/insure](http://www.opm.gov/insure). When it comes to your health care, the best surprise is no surprise.



## Do not cancel your enrollment before reading this section.

You may voluntarily cancel your enrollment at any time. However, once your cancellation takes effect, you probably will not be able to enroll again as a retiree. You will **not** be entitled to a 31-day extension of coverage for conversion to a non-group (private) policy and neither you nor your family members will be entitled to temporarily continue coverage.

You will **not** be able to reenroll in FEHB except under the following circumstances:

- You have been continuously covered as a family member under another enrollment in FEHB since the date of your cancellation, **and** you lose the coverage because the enrollment ends or the enrollee changes from self and family to self only; or
- You suspended your FEHB coverage to enroll in a Medicare-sponsored health plan under the Social Security Act or because you are eligible under Medicaid or a similar State-sponsored program of medical assistance for the needy.

For more information on how to suspend your FEHB enrollment, contact your retirement office at the number listed on the back cover of this Guide.

Time limitations and other restrictions apply. For instance, you must submit documentation that you are suspending FEHB to enroll in a Medicare-sponsored health plan or furnish proof of eligibility for coverage under the Medicaid program or similar State-sponsored program of medical assistance for the needy, in case you wish to reenroll in the FEHB Program at a later time.

If you had suspended FEHB coverage for either one of these reasons (and had submitted the required documentation) but now want to enroll in the FEHB Program again, you may enroll during Open Season. You may reenroll outside Open Season only if you move out of the Medicare-sponsored health plan’s service area, the Medicare-sponsored health plan is discontinued, or you involuntarily lose coverage under the Medicaid program or similar State-sponsored program of medical assistance for the needy. If you cancelled your coverage for any other reason, you **cannot** reenroll.

# FEHB and You

## Choosing a plan

**Cost** — certainly the premium you pay is an important consideration, but there are some other things you should consider. When thinking about premiums, what can you afford biweekly or monthly? Should you enroll in a High Option – and pay High Option premiums – if a Standard Option would do?

If you need to go to the hospital, how much will you have to pay? Do you know how much you will pay for an emergency room visit? If you have children, what will it cost you for a well-child care visit?

Do you have to pay a deductible for the services you might use? Your share of medical expenses is either a coinsurance (a percentage of the bill) or a copayment (a fixed dollar amount). Which option do you prefer and what does the plan require? Does the plan limit the dollar amount it will pay for certain services?

**Coverage** — check to see if the plan offers the services you think you might need. If you're 65 or over, how does the plan coordinate coverage with Medicare? If you regularly see an allergist, do you pay extra for the allergy serum? Does the plan offer a prenatal program? Given the trend toward reducing hospital stays, will your plan pay for home health care? Because health care is expensive, pay attention to the plan's catastrophic coverage to see how you are protected. See if there are limits on the number of visits for the services you need.

**How the plan works** — if predictable cost, comprehensive benefits, no paperwork, and a coordinated approach to health care are high priorities, consider a Health Maintenance Organization (HMO). Most HMOs require you to select a doctor to act as your primary care physician, or PCP, who refers you to

specialists. If you don't use a plan doctor, the plan usually will not pay for services, unless it is an emergency.

A Plan offering a Point of Service (POS) Product also has rules about doctor choice and access to specialists, but you can choose any doctor you like and see specialists without referrals if you agree to pay more.

If you are willing to pay a little more in total costs for the widest choice of doctors, a Fee-for-Service (FFS) plan might be for you. FFS plans let you choose your own doctor and allow you to see specialists without a referral. Most FFS plans have Preferred Provider Organizations (PPO) that save you money if you use these providers.

Some plans offer 24-hour medical advice lines to help you make health decisions. These programs try to keep you healthy and avoid unnecessary – and potentially costly and time consuming – medical treatment.

**Satisfaction** — the experience of FEHB members form the satisfaction ratings in this Guide. If you're considering joining a FFS plan, chances are you'll file a claim. How quickly does the plan process claims? Will the plan be responsive to your questions? As an HMO enrollee, you might be most interested in how the plan is rated in access to care and choice of doctors. Ask the plan for its satisfaction ratings for the past few years. Have the ratings changed much? Ask your doctor's office about experiences with different health plans.

**Accreditations** — HMO accreditations reflect the independent evaluations of nationally-recognized organizations. Plans willing to go through an accreditation review show a commitment to continuous quality improvement and accountability.

# FEHB and You

## Getting the most from a plan

Within any plan, there are things you can do to minimize your out-of-pocket costs and make the plan work best for you.

**Cost** — an easy way to save money is to use your plan’s mail order drug program, if it has one. Request generic drugs instead of brand name drugs. Almost all FFS Plans have Preferred Provider Organizations (PPO, see definitions). Using a PPO will reduce your out-of-pocket expenses. If you do not use a PPO provider, your plan will base its payment on a “usual and customary” allowance which may be less than the actual billed charge. This means you might have to pay the difference. You can reduce the chance of this happening by discussing fees in advance with your provider. Remember that plans set their own allowances.

It is also important to note that all of the services provided in a PPO hospital may not be covered by PPO arrangements. Room and board will be covered, but

the anesthesia and radiology services may not be. The only way to find out is to ask ahead of time.

**Quality** — talk openly with your health plan and providers about the kind of quality you want. Is your HMO rated by a national accrediting organization? Ask your surgeon how frequently (s)he performs the procedure you’re considering and how the patients are doing. If you’re pregnant, ask your obstetrician the percentage of cases in which (s)he performs a cesarian section. Is your doctor proposing a radical approach to treatment when a more conservative one is just as effective? Does your doctor tell you about possible drug interactions with you when prescribing a new medication?

No one has a greater stake in your health than you. Understand how your plan works and don’t be shy about asking questions. An informed consumer is a better decision maker.



**Call the FEHB Fraud Hot Line  
(202) 418-3300  
if a provider has billed you for services  
you did not receive.**

# Program Features

## Some of our important Program features are:

**No waiting periods.** Your retirement system sets the effective date of your coverage. You can use your FEHB benefits as soon as your coverage is effective — there are no waiting periods, required medical examinations or restrictions because of age or physical condition.



**A choice of coverage.** You can choose self only coverage just for you, or self and family coverage for you, your spouse, and unmarried dependent children under age 22. Under certain circumstances, your FEHB enrollment may cover your disabled child 22 years old or older who is incapable of self-support.



### A choice of plans and options.

- Managed Fee-for-Service plans
- Plans offering a Point of Service product
- Health Maintenance Organizations



**A Government contribution.** The Government contributes toward the total cost of your premium. In 1999, the Government will pay up to \$1873.56 for each self only enrollment and \$4170.14 for each self and family enrollment, but not more than 75% of the total premium for any plan.

**Deduction from your annuity payments for your share.** After the Government pays its share toward the total premium, you pay the rest. Each plan's premium in this Guide is the amount that will be withheld in 1999. If the premium is more than your monthly annuity, you may either change to a lower cost plan or pay the amount directly to your retirement office.

Even if you do not change your enrollment, your premium may change for the coming year. Premium

changes take effect January 1, 1999 and are reflected in annuity payments beginning in February, 1999.

**Annual opportunities to change plans.** Each year you have the opportunity to change plans. The 1998 Open Season is from November 9 through December 14, during which you may change plans or options, or change from self only to self and family. (You may change from self and family to self only at any time.)

Each year, in early November, your current health benefits plan sends you a brochure, and your retirement office sends you instructions for ordering brochures and making Open Season changes. It is very important that you keep your address up to date to ensure that you receive your Open Season materials each year. If you move, please be sure to let your retirement office know your new address by calling the number listed on the back cover of this Guide.

Your new plan will mail you an identification card. If you need services before you receive your new card, contact your new plan at the member services number in your brochure.

If you decide not to change your enrollment, no action by you is necessary.



**Continued group coverage.** The FEHB Program offers continued FEHB coverage for you and your family when you move, for your family if you die, or for your former spouse if you divorce and he or she has a qualifying court order (contact your retirement office for more information).

**Coverage after FEHB ends.** The FEHB Program offers either temporary continuation of FEHB coverage (TCC) or conversion to non-group (private) coverage for your covered dependent child if he or she marries or turns age 22, or for your former spouse if you divorce and he or she does not have a qualifying court order (contact your retirement office for more information).

# Patient Bill of Rights and Responsibilities

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The Patient Bill of Rights and Responsibilities spells out recommendations made by the President's Advisory Commission on Consumer Protection and Quality in the Health Care Industry. These recommendations promote and ensure health care quality and protect health care consumers. The President signed an Executive memorandum directing us (the Office of Personnel Management) to take steps to bring the FEHB Program into contractual compliance with these recommendations.

We are pleased to report that most FEHB plans already comply with the Commission's Patient Bill of Rights and Responsibilities. For 1999, you can expect all of the following from your FEHB plan:

- Direct access to women's health care providers for routine and preventative women's health care services.
- Coverage of emergency department services for screening and stabilization without authorization if you have reason to believe your life is endangered or you would be seriously injured or disabled.
- Direct access to a qualified specialist within your network of providers if you have com-

plex or serious medical conditions that need frequent specialty care. Authorizations, when required by a plan, will be for an adequate number of direct access visits under an approved treatment plan.

- Extensive information about plan characteristics and performance, provider network characteristics, and care management.
- The elimination of "gag rules" in provider contracts that could limit communication about medically necessary treatment.

The health care system works best when enrollees take the time to become informed. As responsible consumers, you should:

- Read and understand your health benefits coverage, limitations, and exclusions, health plan processes, and procedures to follow when seeking care.
- Work with your physician in developing and carrying out a treatment plan.
- Practice healthy habits.

# Definitions and Explanations

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**Brochure** — A plan’s description of benefits, limitations, exclusions, and definitions under the FEHB Program. You can get brochures from the health plans. They are also available on our web site at [www.opm.gov/insure](http://www.opm.gov/insure).

**Catastrophic limit** — The maximum amount of certain covered charges you have to pay out of your own pocket during the year.

**Coinsurance** — How you and your FEHB plan split the cost of covered medical expenses. For example, a 20% coinsurance means you pay 20% of most covered charges. The plan pays 80%.

**Copayment** — A fixed dollar amount you pay as your share of a service or benefit (sometimes called a copay).

**Covered charges** — What the plan pays for. You’ll find information about covered benefits, expenses and services in each plan’s brochure.

**Deductible** — The amount of covered charges you must pay before the plan begins to pay.

**Health Maintenance Organization (HMO)** — A health plan that provides care through a network of physicians and hospitals in particular geographic or service areas. HMOs coordinate the health care services you receive. Your eligibility to enroll in an HMO is determined by where you live or, for some plans, where you work. Some HMOs have agreements with providers in other service areas for non-emergency care if you travel or are away from home for extended periods.

- The HMO provides a comprehensive set of services — as long as you use the doctors and providers in the HMO network. You may have to pay something when you get care, for example, a \$10 copayment per office visit.
- Most HMOs ask you to choose a doctor or medical group to be your primary care provider (PCP). Your PCP takes care of most of your medical needs. In many HMOs, generally you must get permission or a “referral” from your PCP in order to see other providers in the network.
- Care received from a non-network provider, other than emergency care, is generally not covered.

# Definitions and Explanations

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**Managed Fee-for-Service (FFS) Plan** — A traditional type of insurance that lets you use any doctor or hospital, but you usually must pay a deductible and coinsurance. These plans are called FFS because doctors and other providers are paid for each service, such as an office visit, or test. They help control costs by managing some aspects of patient care. Most also provide access to PPOs.

**Preferred Provider Organization (PPO)** — A FFS option where you can choose plan-selected providers who have agreements with the plan. When you use a PPO provider, you pay less money out-of-pocket for medical service than when you use a non-PPO provider.

**Plans offering a Point of Service (POS) Product** — A product offered by an HMO or FFS plan that has features of both. In an HMO, the POS product lets you use providers who are not part of the HMO network. However, there is a greater cost associated with choosing these non-network providers. You usually

pay deductibles and coinsurances that are substantially higher than the payments when you use a plan provider. You will also need to file a claim for reimbursement, like in a FFS plan. The HMO plan wants you to use its network of providers, but recognizes that sometimes enrollees want to choose their own provider.

In a FFS plan, the plan's regular benefits include deductibles and coinsurance. But in some locations, the plan has set up a POS network of providers similar to what you would find in an HMO. The plan encourages you to use these providers, usually by waiving the deductibles and applying a copayment that is smaller than the normal coinsurance. Generally, there is no paperwork when you use a network provider.

**Provider** — As used in this Guide and plan brochures, a provider means an individual or institution that provides medical or health services, such as doctors, hospitals, nurse-midwives, or therapists. "Covered" providers are those the plan will reimburse.

# Your Links to Information

## 1999 FEHB Web Site — [www.opm.gov/insure](http://www.opm.gov/insure)

Our 1999 FEHB web site gives current and valuable information to help you choose a health plan. Visit us at [www.opm.gov/insure](http://www.opm.gov/insure).

You will find even more information on our site this year. The new Health Plan Profiler (HPP) lets you view and print summary information about health plans. Enrollees in some states can use a new interactive decision tool to narrow the health plan search.

You can download and print plan brochures and other materials, access definitions by clicking hyperlinks, and use automated links to navigate to other sites. When you visit [www.opm.gov/insure](http://www.opm.gov/insure) you will see these choices and more:

- **1999 Plan Information** – gives you access to general information about plans, plan quality indicators (including detailed survey results which are not printed in this Guide), plan brochures, and information about how to choose a plan. You can link to other web sites with valuable information about health plans, including those plans participating in the FEHB Program. You also can view, download and print the **Guides to Federal Employees Health Benefits Plans**.

The **Health Plan Profiler** is an easy-to-use web tool that lets you create plan profiles and summaries. You also can link to FEHB plan web sites from the Health Plan Profiler. Plans that have a  in the column labeled “Web site” in this Guide have their own web site.

- **Annuitant Information** – gives you general information about Open Season for annuitants as well as new features available to retirees, including how to make Open Season changes through the Internet. You can also link to the Medicare web site.
- **Patient Bill of Rights** – gives you information about the three objectives of the Patient Bill of Rights and the eight principle areas of rights and responsibilities. You can also link to the full text of the Patient Bill of Rights and related background information.
- **Frequently Asked Questions** – gives you answers to questions about premiums, enrollment, family members, temporary continuation of coverage (TCC), switching plans, retirement and other topics of interest.

# Quality Indicators

## 1998 Customer Satisfaction Survey Results

Each year we ask a sample of Federal enrollees to rate their satisfaction with their plans. We know this is an important consideration for most people when choosing between plans. Ratings are included in this Guide for most FEHB plans.

If a plan is not rated, it is because the plan is new to the FEHB Program or the number of respondents was too small for us to reliably include their opinions.

**The Ratings.** We survey enrollees and ask them to rate various aspects of their health plan on a five point scale of *poor*, *fair*, *good*, *very good*, and *excellent*. Plans that enrollees rated significantly better than average in any category have a ●, average ratings get a ◐, and significantly below average get a ○. The average rating for all plans of the same type is shown in the column heading.

For more detailed information about ratings, visit our web site at [www.opm.gov/insure](http://www.opm.gov/insure).

The categories shown in this Guide were chosen because of their importance to most people in selecting a plan (some categories apply only to POS and HMO plans or only to FFS plans):

- Ability to see the same doctor on most visits,
- Access to medical care (arranging for and getting care),
- Access to medical care in an emergency (POS and HMO only),
- Choice of doctors available through the plan (being able to find doctors you are satisfied with),

- Costs you personally have to pay (FFS only),
- Coverage (range of services covered),
- Explanation of care (what is wrong, what is being done, and what to expect),
- Getting appointments when sick,
- Getting claims processed quickly (FFS only),
- Quality of care (from doctors and other medical professionals), and
- Results of care.

**Overall Satisfaction.** We also asked enrollees about their **overall** satisfaction with their health plan.

A bar graph for each plan shows the percentage of plan enrollees who indicated they were *extremely satisfied*, *very satisfied* or *satisfied*.

Example: 

19	45	22
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In the example, 19% of respondents are *extremely satisfied*, 45% are *very satisfied*, and 22% are *satisfied*. The numbers in the bar add to 86, meaning 86% of respondents were at least satisfied with the plan. The remainder were less than satisfied with the plan overall.

Plans with an overall satisfaction score that is significantly higher than the average overall score are identified with a ✓ in the column labeled “Top rated plans”.

In Partnership with the U.S. Department of Health and Human Services, the U.S. Office of Personnel Management would like to share the following message about Medicare & You:

**Dear Medicare Beneficiaries:**

Recent legislation included Medicare+Choice, which will result in changes to the Medicare program. This new legislation will help keep Medicare well funded. Importantly, you now have new preventive health benefits and new patient protections. In addition, starting in 1999, Medicare will offer new health plan choices. You may want to look at these choices.

**It is very important for you to remember that if you are happy with the way you get your health care now, you don't have to do anything. The choice is yours. No matter what you decide, you are still in the Medicare program and will receive all the Medicare covered services.**

If you are interested in changing the way you receive your care, one of the new Medicare choices may be right for you. **Caution:** Changing the way you receive your health care is an important decision. You may wish to ask your family, friends, or doctor for help. Special rules may apply if you choose to disenroll from a Medicare health plan and return to the Original Medicare Plan with other insurance coverage. Before you change your Medicare coverage, contact your retirement system. If you have Medicaid coverage, do not make changes until you contact the State Medical Assistance Office.

Whether you are new to the Medicare program or not, we want you to know of our deep commitment to keep Medicare working for you.



**Donna E. Shalala**  
Secretary, Department of  
Health and Human Services



**Nancy-Ann Min DeParle**  
Administrator, Health Care  
Financing Administration



Medicare information is available on the Internet at [www.medicare.gov](http://www.medicare.gov). If you don't have a computer, your local public library or senior center may be able to help you access the Medicare Web site.

## Choosing a Health Plan?

### DID YOU KNOW?

About 58,000 Americans are waiting for organ transplants, and about 4,000 die each year while waiting.

There is *no* cost to your family when you become an organ donor.

Your decision to become an organ and tissue donor *will not* affect your medical care because every effort is made to save your life before donation occurs.

A national system is in place to ensure fair distribution of organs without regard to race, gender, age, income or celebrity status.

All major religious groups in the U.S. approve of and support organ and tissue donation.

To be an organ and tissue donor, even if you've put your wishes in writing, you must tell your family members *now* so they can carry out your decision later.

# Organ & Tissue DONATION



©Coalition on Donation

## ***Share Your Life.***

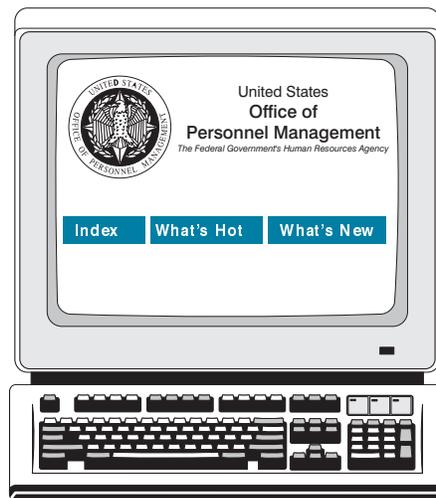
**SIGN YOUR DONOR CARD.**

## ***Share Your Decision.***<sup>SM</sup>

**TELL YOUR FAMILY.**

For a free brochure and donor card, call the  
Coalition on Donation at 1-888-90-SHARE  
(1-888-907-4273) or visit the  
U.S. Department of Health & Human Services web site:  
[www.organdonor.gov](http://www.organdonor.gov)

Retirement System	Phone Number	Email Address
OPM's Retirement Information Office (Civil Service Retirement System and Federal Employees Retirement System) Within the local Washington, DC calling area	1-888/767-6738 202/606-0500	retire@opm.gov
C.I.A. Office of Retirement Programs	1-800/648-5693	N/A
U.S. Lighthouse Service Retirement System	202/267-2942	Idemuth@comdt.uscg.mil
District Government Retirement System	202/727-5258	N/A
(Federal Reserve) Board Benefit Structure	202/452-3158	cimralk@frb.gov
Foreign Service Retirement and Disability System	202/647-9320	webberds@persm.us/state.gov
Judicial Survivor's Annuity System Judicial Retirement System	202/273-1370	carol_sefren@ao.uscourts.gov
Financial Institutions Retirement System (FIRF)	202/906-7303	valerie_waller@ots.treas.gov



*Visit our  
web site at*  
**www.opm.gov/insure**