

Benefits Administration Letter

Number: 13-202 **Date:** June 24, 2013

Subject: CLER Enhancement to Provide Premium Payment Data to Carriers

Background

Federal payroll offices currently transmit Federal Employees Health Benefits (FEHB) data of their employees or annuitants electronically to the National Finance Center (NFC) on a quarterly basis. This data is used by the Centralized Electronic Enrollment Reconciliation Clearinghouse, also known as CLER, to identify enrollment discrepancies.

Since the inception of CLER in 2002, the agencies and FEHB carriers have made great progress in reducing the number of enrollment discrepancies between agency and carrier records. Using CLER, the carriers' error rate has been reduced from 15% in 2002 to 2% currently. Thanks to the work put in by federal agency personnel in resolving enrollment discrepancies, this has resulted in removing ineligible enrollees from carrier enrollment rolls and elimination of the automatic 1% loading added to Health Maintenance Organization (HMO) plan rates, saving the government and enrollees money.

New Procedures

In order to further improve the enrollment reconciliation process, every pay period the Office of Personnel Management (OPM) will provide FEHB carriers with a list of enrolled individuals and premium payment data for each individual. Resolving enrollment discrepancies is only half of the problem. Carriers must resolve discrepancies in the premiums remitted to them as well.

NFC is developing a new Pay Period Transmissions – Payment Amounts report in the CLER Reports menu. This report will allow carriers to view the remitted FEHB premiums by enrollee. This new report is in addition to the quarterly identification of enrollment discrepancies. The quarterly matching of enrollment records of the payroll offices and FEHB carriers with the identification of enrollment discrepancies will continue.

Beginning March 1, 2014, payroll offices will transmit enrollee information to NFC each pay period. NFC and OPM will use the data to provide participating health carriers with ongoing FEHB enrollment and premium payment information, in addition to the quarterly identification of enrollment discrepancies. Once NFC goes operational with the new file format, NFC will not be able to accept old format CLER data submissions from payroll offices.

The means of transmission and transmission destination are not changing, but the frequency of transmission is changing from quarterly to per pay period. The file format will have two changes:

a "Pay Period Type Indicator" in the header of your data transmission to allow NFC to better identify the pay period; and adding a new data field to the body of data, optional Employee/Annuitant Indicator. The optional Employee/Annuitant Indicator will help carriers account for persons that are validly enrolled but are not paying any premiums. Examples would be annuitants that are in an interim pay status or have their annuities suspended for various reasons, or employees where the SF 2809 was forwarded to the carrier without the payroll office arranging for payroll deductions of premiums.

A copy of the file format is attached to this BAL. For assistance with the file format and transmission of your data, contact NFC's CLER Operations Unit by calling 504-426-6410 or via email at NFC. NFC is putting together a small testing group. We need payroll offices with biweekly, monthly, and four week pay cycles to participate in this testing group. Please contact NFC to register for this testing group.

For policy related questions, contact Mr. Eric Figg in OPM's Healthcare and Insurance office via email at eric.figg@opm.gov.

Sincerely,

John O'Brien Director Healthcare and Insurance