



***Retirement and Insurance Service
Benefits Administration Letter***

Number: 99-414

Date: October 26, 1999

Subject: 1999 Federal Employees Health Benefits (FEHB) Program: Conducting the 1999 Open Season

GENERAL

FEHB Guides

In our efforts to improve the usefulness, comprehension, and readability of the Guide to FEHB Plans, we have made several changes to the 2000 Guides. We have rewritten the Guide text in plain language, to reflect the following changes:

- For the year 2000, the open and closed fee-for-service plans will be displayed on separate pages.
- Two new benefit categories will be added to the fee-for-service pages. Those categories are “Prescription Drug” deductible and “Mail Order Prescription Drug” copayments.
- We have eliminated the “Accidental injuries” and “Web site” columns from the Guide, however, links to Plan Web site will still be accessible from the Office of Personnel Management (OPM) web site (<http://www.opm.gov/insure>).
- Several of the fee-for-service columns have been consolidated. We now have a single column for “Catastrophic limits” rather than the per person/per family breakout, and we combined the “Surgeon” and “Other” columns into a single “Doctors” column.
- We reversed the order of the Preferred Provider Organization (PPO) and non-PPO presentations.
- The Health Maintenance Organization (HMO) and Point of Service (POS) sections have been merged into a single section. The new HMO-POS section will include the following benefit columns—“Primary Care Doctor Office” copayment, “Hospital Stay Copay/Coinsurance,” and the copayments for Generic and Brand name prescription drugs from a participating pharmacy.

*Civil Service
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*Federal Employees
Health Benefits
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*Federal Employees
Retirement
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- The Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accreditation ratings will still be shown in a column with the National Committee for Quality Assurance (NCQA) accreditation ratings. This HMO-POS accreditation column, however, will show only whether accreditation was achieved and by whom; full accreditation details will still be available on our web site.

We also made to the presentation of survey information. This year OPM, FEHB plans, and enrollees participated in a broad-based survey effort with other public and private employers by using the Consumer Assessment of Health Plans Survey (CAHPS). This survey is a widely accepted tool for obtaining customers' feedback on their experiences with their health plans. The bar chart showing the percent satisfied with the plan and the "Top rated plans" column were eliminated. With our use of the CAHPS instrument this year, we will display the survey's six composite summaries in addition to overall satisfaction from the adult questionnaire. Child questionnaire data will not be shown this year, however results from this questionnaire will be accessible at our web site.

Visitors to our web site will find it more informative and easier to use than last year. You can link to most of our topics directly from the front home page this year. We still have our health Plan Profiler (HPP) that lets you view and print summary information about health plans. This year, enrollees in all states can use this interactive decision tool to narrow health plan searches. Plan Smart Choice, a link to an interactive survey tool for help in selecting a plan, will again be available on our web site this year. All FEHB Guides and plan brochures will be available for downloading.

Counseling Employees

Agencies are responsible for counseling employees who ask for help on health benefits matters. Counseling should be limited to answering questions about the FEHB Program and the application of the FEHB law and regulations to particular circumstances.

The FEHB Guides provide summary information that is designed to help employees narrow their choices of health plans, not to make final decisions. You should refer employees to the actual plan brochures for specific information vital to making an informed decision.

You should try to answer employees' benefit questions by referring them to the brochure of the plan in question. If the answers cannot be found in the brochure, instruct the employee to contact the health plan directly. However, do not refer employees to the plans if their questions concern subjects other than benefits. Answering questions about FEHB enrollment rules, such as which dependents are eligible for coverage and when coverage begins and ends, is the responsibility of the agencies, not the health plans. If you do not know the answer, contact your agency's headquarters insurance officer.

Plan Terminations

In BAL 99-411, we notified you of the names of plans that are dropping out of the FEHB Program, or that are dropping a service area with a separate enrollment code, at the end of 1999. We strongly recommend that you distribute the list of terminating plans and enrollment codes to all employees so they can check to see whether their plan or enrollment code will continue to be valid in 2000.

An employee whose plan or enrollment code will not participate in the Program next year **must enroll in another plan to continue FEHB coverage in 2000**. You should monitor employees who are covered by these terminating plans/codes and follow up with those who have not submitted a change of enrollment *before* the end of open season.

Plan Mergers

BAL 99-411 also informed you of plans that are merging with other plans at the end of 1999. Enrollees of the merging plans will be transferred automatically to the surviving plan, but they may find that their new plan has very different benefits than they were accustomed to. Employees in plans that merge should read their 2000 brochures carefully.

New Health Benefits Registration Form, Standard Form (SF) 2809

We have revised the SF 2809. The revised form is dated July 1999. Information regarding the new 2809 can be found in Benefits Administration Letter (BAL) 99-215. We also created a new form, Annuitant/OWCP Health Benefits Election Form (SF 2809-1), for use by annuitants of other retirement systems for Federal employees and compensationers. We have provided additional information on this form in BAL 99-216. Previous editions of the SF 2809 are not usable, and agencies are expected to use the new 2809's for all open enrollment changes.

Annuitant Inquiries

Some annuitants may contact their former employing offices asking for a SF 2809.

- **CSRS and FERS** - The Office of Personnel Management (OPM) does not use the SF 2809 to register open season changes for Civil Service Retirement System or Federal Employees Retirement System annuitants. These annuitants should be directed to call our toll-free service, Open Season Express. Instructions for using Open Season Express are included in the open season package sent to each enrolled CSRS and FERS annuitant before open season. If an annuitant loses or does not receive the package, he/she can get one by calling our Retirement Information Office at 1-88-US-OPM-RET (1-888-767 6738).

The hearing-impaired who have access to a TDD machine may call our toll-free Retirement Information Office TDD number: 1-800-878-5707.

When communicating with OPM -- for any reason -- annuitants should always provide their CSA/CSF retirement claim number and/or their Social Security Number.

- **Other retirement systems** - These annuitants should contact their retirement system for the proper registration form.
- **OWCP** - Former employees receiving benefits from the Office of Workers' Compensation should contact the OWCP office that maintains their FEHB records.

CARRIER ACCESS

Health Fairs

We strongly encourage agencies to hold open season health fairs or to permit representatives of FEHB carriers to address groups of employees on their plans' benefits, methods of obtaining services, and similar matters.

Since the number of carrier representatives knowledgeable about the benefit provisions and claims procedures of the plans they represent is often limited, we encourage agencies to stagger health fairs, beginning prior to the actual start of open season.

When holding health fairs, remember:

- The purpose of the fair is to inform, not promote. You should discourage carriers from distributing trinkets, holding raffles, or engaging in similar activities that divert attention from the primary goal.
- Carrier representatives are expected to confine their presentations to benefit provisions and claims procedures of the FEHB plan they represent. Questions that do not pertain to benefits or claims should be referred to agency insurance officials.

Other Companies

Agencies are frequently contacted by insurance companies that do not participate in the FEHB Program, but wishes to sell dental insurance or other types of "supplemental" policies to Federal employees. These companies sometimes send marketing material to agencies and ask the agencies to distribute it. They may ask to be invited to the agency's health fairs or even show up at health fairs uninvited.

We strongly discourage agencies from assisting in the marketing efforts of these companies, including companies FEHB carriers may have contracted with for particular benefits. To ensure the integrity of the FEHB Program, agencies should limit access to

their premises to those health plans that actually participate in the FEHB Program; i.e., those plans listed in the FEHB Guide.

OPEN SEASON CHANGES

Permissible Actions

The following changes in registration may be made during open season:

- An eligible employee who is not enrolled may register to enroll.
- An enrollee may change from one plan or option to another, from self only to self and family, or make any combination of these changes.

New enrollments and enrollment changes for permissible reasons other than the open season can be made, as usual, between November 8 and December 13, 1999. These changes, however, may have different effective dates than open season changes, and should not be mistakenly identified as such.

Whether an employee is enrolling or changing enrollment based on open season or some other qualifying event, it is important that the correct event number be noted on the SF 2809, so that the correct effective date will be assigned.

Timely Registration

The employing office must receive an open season change on the SF 2809 no later than close of business on December 13, 1999, to be considered timely filed.

The Employee Express contractor (OPM Macon, GA) must receive changes via Employee Express no later than midnight on December 13.

Belated Registration

An employing office has the authority to accept a late registration if it determines that the employee was unable to submit a SF 2809 on time because of circumstances beyond the employee's control. While we normally encourage agencies to make limited use of this authority, we recommend that you take a liberal view in cases where an employee's plan is terminating its FEHB participation.

If you decide to accept an employee's late registration, write "Belated open season enrollment/change" in the "Remarks" section of the SF 2809. Attach to copy 1 of the SF 2809 the employee's statement explaining why he/she could not register on time, or add your own note if the reason was an agency problem.

If you decide that the delay in filing is not due to a cause beyond the employee's control,

do not accept the employee's late request. Notify the employee in writing that you are not approving the late enrollment. Give the reason for your denial and include a statement of the employee's right to request reconsideration within 30 days after the date of your notice.

Effective Dates

From not enrolled to enrolled - Effective the first day of the first pay period which begins on or after January 1, 2000, and which follows a pay period in any part of which the employee was in pay status. However, the enrollment of a new employee who happens to register for the first time during open season is effective the same as for all new employees; i.e., the first day of the first pay period after the employing office receives the SF 2809.

Enrollment change - Effective the first day of the first pay period which begins on or after January 1, 2000, regardless of whether or not the employee was in pay status during the preceding pay period.

Belated open season action - Effective retroactive to the first day of the first pay period, which begins on or after January 1, 2000. This effective date is the same as that of an open season change filed on time. However, if the belated change is from not enrolled to enrolled, the requirement of having been in pay status during the preceding pay period must also be met.

Cancellation - Effective the last day of the pay period in which the employing office receives the SF 2809. Enrollees may cancel their health insurance at any time without waiting for an "event" or an open season. The effective date is therefore different from the effective date of actions related to open season.

Cancellation

Agencies should be sure to counsel employees about the consequences of canceling their enrollment.

\$Remember that in order to continue FEHB coverage after retirement, an employee must have been covered under the FEHB Program continuously for the five years of service immediately before retirement or, if less than five years, for all periods of service during which he/she was eligible for FEHB coverage.

- If an employee is canceling his/her enrollment in order to be picked up as a family member by a spouse's open season enrollment, be sure to coordinate the effective date of the cancellation with the effective date of the spouse's enrollment to prevent a break in coverage.

AGENCY ACTIONS

Prompt Processing

It is imperative that agencies process open season enrollments and enrollment changes promptly. Payroll offices should process enrollee and carrier copies of SF 2809 **daily**. Timely processing is critical.

- *Gaining carriers* must be notified of new enrollments so the carrier can complete the paperwork necessary to provide coverage for the employee and covered family members and issue identification cards to the new enrollees.
- *Losing carriers* must be notified as soon as possible of enrollment terminations so they won't guarantee or provide benefits to ineligible employees or family members.

Verification of Employee Coverage

Employees often become concerned when they do not receive their identification cards from a new plan within a short time after the end of open season. If an employee asks you about this, you should first contact the payroll office to determine when the carrier was notified of the change. If more than three weeks have passed since the payroll office sent the SF 2809 to the carrier, contact the carrier to determine the reason for the delay and to relay the employee's request for identification cards.

An employee may need verification of coverage under his/her plan before the carrier processes the enrollment or enrollment change. You should verify that the employee is covered under the plan and inform the requesting party (e.g., carrier, doctor, hospital) of the effective date of the coverage. You should also remind employees that their copy of the SF 2809 is acceptable as proof of enrollment until they receive their identification cards from the plan.

Employees who make open season changes electronically via Employee Express and who do not receive new identification cards by the effective date of the change may obtain a letter confirming their coverage by calling the Employee Express Help Desk at 912-757-3030, or by requesting your help.

Reconciliation Requests

After open season is completed, agencies will receive requests from carriers to reconcile their enrollment records. **These requests must receive the highest priority.** The reconciliation process is critical to ensure that carriers receive the proper premium payments and that enrollees are properly reflected on plans' records.

A handwritten signature in black ink, appearing to read "Abby L. Block". The signature is fluid and cursive, with a long horizontal stroke at the end.

Abby L. Block, Chief
Insurance Policy
and Insurance Division