Subject: Federal Employees Health Benefits (FEHB) Program: Opportunity for Maxicare Health Plan Enrollees, Enrollment Code CM, to Change Enrollment

Maxicare previously advised us that they will not participate in the FEHB Program for 2002. We have just been informed that Maxicare Health Plan, Inc., enrollment code CM, must surrender its license to operate as an HMO on December 31, 2001. The plan will not be able to provide benefits after December 31, 2001.

All enrollees in this plan must make an open enrollment change to another plan during open season, November 12 – December 10, 2001. Enrollees who do not choose another plan during open season will have no benefits after December 31, 2001. If you have employees in the area served by the plan, we ask that you notify them directly of the plan’s withdrawal. Even though enrollees will make a change during open season, this is not considered an open season change. Thus, the effective date of these enrollment changes will be no later than the pay period beginning on December 30, 2001.

Thank you for your cooperation in this matter.

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