



Benefits Administration Letter

Number: 11-405

Date: September 29, 2011

Subject: 2011 Federal Benefits Open Season: FEHB Program Significant Plan Changes

This Benefits Administration Letter (BAL) is the fifth in our series of 2011 Federal Benefits Open Season BALs for the Federal Flexible Spending Account Program (FSAFEDS), the Federal Employees Dental and Vision Insurance Program (FEDVIP) and the Federal Employees Health Benefits (FEHB) Program. This BAL provides information on significant plan changes for FEDVIP and the FEHB Program for 2012.

This year's Federal Benefits Open Season will run from Monday, November 14, through Monday, December 12, 2011.

FEDVIP

The **first attachment** to this BAL provides important information on a plan name change affecting a FEDVIP plan for the upcoming Open Season. Humana/CompBenefits is changing its name to Humana Dental Company in 2012.

Table 1: Dental Plan Name Change

FEHB Program

The remainder of this letter provides important information on the significant changes affecting certain plans in the FEHB Program for the upcoming Open Season. The **second attachment** to this BAL identifies the plans and their corresponding significant changes. Some of these events will require action on the part of agencies and enrollees.

Please note there are plans leaving the FEHB Program at the end of 2011. Since employees in these terminating plans **must** enroll in new plans during Open Season if they wish to continue health insurance coverage in 2012, we ask you to distribute this list throughout your agencies. It is your responsibility to monitor employees who are covered by these terminating plans and follow up with those who have not submitted an enrollment change before the end of Open Season.

TIP: Distribute the attached list of significant FEHB plan changes to all employees so they can check to see if their plan or service area will continue to participate in the FEHB Program in 2012.

Table 1: Plans Leaving the FEHB Program

What Must Employees Do?

- Employees in terminating plans (**Table 1**) **must** enroll in a new health plan during Open Season if they want coverage. If they do not enroll in a new plan, they will not have FEHB coverage in 2012.
- **New Coverage:** Coverage under an enrollee's new health plan will be effective the first day of the pay period beginning on or after January 1, 2012; **for most employees this will be Sunday, January 1, 2012.** Enrollees will remain covered and receive the 2011 benefits of the old plan until coverage under the new plan becomes effective.

What Must You Do?

- You must notify employees enrolled in the plans listed in **Table 1** to select new plans. Advise your employees if they do not choose new plans, they will not have FEHB coverage in 2012.
- Distribute copies of this list to employees with your agency's notice about Open Season along with copies of the **third attachment**, *FastFacts: What to do When Your Health Plan is Terminating Coverage in Your Area or Leaving the Federal Employees Health Benefits (FEHB) Program*.
- Follow up with employees in these plans and remind them to select new plans.
- **Belated changes:** Some employees still might not receive instructions to change plans during Open Season. We encourage you to be liberal in accepting belated Open Season changes from employees enrolled in terminating plans.

What Will Health Plans Do?

Plan Notification: The plans in **Table 1** have been instructed to notify enrollees of the need to select new plans for 2012; however, because some plans' enrollment and address lists may not be up-to-date, we encourage you to accept belated changes.

Table 2: Plan Reducing its Service Area without Terminating Enrollment Codes

What Must Employees Do?

Employees in the service area being terminated should elect a new health plan for 2012; however, employees who do not choose a new health plan will only have emergency services where they live and will have to travel to their plan's remaining service area to receive full benefits.

What Must You Do?

- You must notify employees enrolled in the plan listed in **Table 2** to select a new plan. Advise your employees if they do not choose a new plan, they will only have emergency services where they live and they will have to travel to their plan's remaining service area to receive full benefits in 2012.
- Distribute copies of this list to employees with your agency's notice about Open Season.
- Follow up with employees in this plan and remind them to select a new plan.
- **Belated changes:** Some employees still might not receive instructions to change plans during Open Season. We encourage you to be liberal in accepting belated Open Season changes from employees enrolled in the plan reducing its service area.

What Will Health Plans Do?

Plan Notification: The plan in **Table 2** has been instructed to notify enrollees that their service area is being terminated. If enrollees do not choose another health plan, the enrollees will have to travel to their plan's remaining service area to receive full benefits in 2012. However, because a plan's enrollment and address lists may not be up-to-date, we encourage you to accept belated changes.

Table 3: Plans Terminating Options and Enrollment Codes

What Must Employees Do?

- Employees in plans dropping an option (**Table 3**) may choose a new health plan during Open Season or remain with their current plan and be switched automatically into one of the plan's remaining options specified in **Table 3**.
- **New Coverage:** Coverage under an enrollee's new health plan or option will be effective the first day of the pay period beginning on or after January 1, 2012; **for most employees this will be Sunday, January 1, 2012**. Enrollees will remain covered and receive the 2011 benefits of the old plan or option until coverage under the new plan becomes effective.

What Must You Do?

- Advise your employees who are enrolled in a plan that is dropping an option (**Table 3**) that if they do not choose a new health plan, they will be automatically transferred into one of the plan's remaining options as specified in **Table 3**.
- Distribute copies of this list to employees with your agency's notice about Open Season.
- Follow up with employees in these plans and remind them that if they do not choose a new health plan, they will be automatically transferred into one of the plan's remaining options specified in **Table 3**.
- **Belated changes:** Some employees still might not receive instructions regarding their plan dropping their option. We encourage you to be liberal in accepting belated Open Season changes from employees enrolled in plans dropping options listed in **Table 3**.

What Will the Health Plan Do?

- **Plan Notification:** Plans in **Table 3** have been instructed to notify enrollees that their current plan option is being discontinued and that if they do not change to another plan during Open Season, they will be switched automatically into one of the plan's remaining options specified in **Table 3**.

Table 4: Plans Adding New Options and New Enrollment Codes

Table 5: Plan Name Changes

Table 6: Service Area Expansions with New Enrollment Codes

Table 7: Service Area Expansions without New Enrollment Codes

What Must You Do?

You must include the plans with expanded service areas (**Tables 6 - 7**) when you count the number of eligible employees and place your order for brochures.

Conclusion

Again, this year's Federal Benefits Open Season will run from Monday, November 14 through Monday, December 12, 2011.

We encourage you and your employees to visit our website at www.opm.gov/insure/opensession for the most up-to-date information. Please note that 2012 Plan information will be posted on our website beginning in early November.

We look forward to working with you to ensure Federal employees have a successful Open Season.

Sincerely,

John O'Brien
Director
Healthcare and Insurance

Attachments