



Benefits Administration Letter

Number: 15-404

Date: October 15, 2015

Subject: 2015 Federal Benefits Open Season: FSAFEDS and FEHB Program Significant Plan Changes

This Benefits Administration Letter (BAL) is the fourth in our series of 2015 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 FSAFEDS, FEDVIP, and the FEHB Program for 2016.

This year's Federal Benefits Open Season will run from Monday, November 9 through Monday, December 14, 2015.

SELF PLUS ONE FOR FEHB

As a result of the Bipartisan Budget Act of 2013, the Self Plus One enrollment type will be available beginning in January 2016. The first opportunity to enroll in Self Plus One will be during the annual Federal Benefits Open Season, which runs from Monday, November 9, 2015 through Monday, December 14, 2015.

Self Plus One is a new enrollment type in the FEHB Program that allows enrollees to cover themselves and one eligible family member they designate to be covered. Family member eligibility for a Self Plus One enrollment is the same as for a Self and Family enrollment. A family member eligible to be covered under a Self Plus One enrollment includes either a spouse OR a child under age 26. A child age 26 or over who is deemed incapable of self-support because of a mental or physical disability that existed before age 26 is also an eligible family member.

Additional information on the new Self Plus One enrollment type is available at <https://www.opm.gov/healthcare-insurance/special-initiatives/self-plus-one/>.

GUIDE TO FEDERAL BENEFITS

OPM is no longer producing the *Guide to Federal Benefits* (Guide) beginning with the 2016 benefit year. This will include both the printed and online versions of the Guide.

We have determined that it is no longer cost effective to produce the Guide, and due to the implementation of the Going Green Initiative in 2010, an increasing number of agencies are turning toward online resources for information about the federal benefits programs instead of ordering printed copies of the Guide.

Also, almost all of the information printed in the *Guide* is already on our federal benefits programs' website, www.opm.gov/healthcare-insurance, such as:

- Specific plan information on the Federal Employees Health Benefits (FEHB) Program and the Federal Employees Dental and Vision Insurance Program (FEDVIP);
- Premium charts; and
- Information on eligibility and how to enroll in or apply for all of the federal benefits programs, including the Federal Employees' Group Life Insurance Program (FEGLI), Federal Flexible Spending Account Program (FSAFEDS), and the Federal Long Term Care Insurance Program (FLTCIP).

OPM will create additional online materials, such as FastFacts and premium charts for Temporary Continuation of Coverage (TCC) enrollees and former spouses enrolled under Spouse Equity. We will also display quality healthcare scores on the FEHB Program website.

FSAFEDS

Health care and limited expense flexible spending accounts (FSAs) no longer have a grace period; instead, qualifying participants will be able to carry over up to \$500 of unused funds to the next plan year. To be eligible for carryover, participants must have enrolled during Open Season or as a new hire during the year and must meet the following requirements:

- Be actively employed by a FSAFEDS-participating agency and contributing to your FSA account through December 31; and
- Re-enroll for the next Benefit Period. If you do not re-enroll, you forfeit your right to a carryover account.

Dependent care FSAs will continue to have a grace period each year and cannot carry over funds from one year to the next.

FEDVIP

There are no 2016 FEDVIP significant changes.

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 **first attachment** to this BAL identifies the FEHB 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 2015 or reducing their service areas and terminating their enrollment codes. Since employees in these terminating plans and service area reductions **must** enroll in a new plan during Open Season if they wish to continue health insurance coverage in 2016, please distribute this list throughout your agencies. It is your responsibility to monitor employees who are covered by these terminating plans or service area reductions and follow up with those who have not submitted an enrollment change before the end of Open Season. Enrollees in the terminating plans and enrollment codes who do not change their health plan by enrolling in another FEHB plan during Open Season will not have health benefits for 2016.

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 2016.

Table 1: Plans Leaving the FEHB Program

Table 2: FEHB Plan Reducing Service Areas and Terminating Enrollment Codes

What Must Employees Do?

- Employees in terminating plans (**Table 1**) or service area reductions with terminating enrollment codes (**Table 2**) **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 2016.
- **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, 2016; **for most employees this will be Sunday, January 10, 2016.** Enrollees will remain covered and receive the 2015 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 **Tables 1 and 2** to select new plans. Advise your employees if they do not choose new plans, they will not have FEHB coverage in 2016.
- Distribute copies of this list to employees with your agency's notice about Open Season along with copies of the **second 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 or plans with service area reductions and terminating enrollment codes.

What Will Health Plans Do?

Plan Notification: The plans in **Tables 1 and 2** have been instructed to notify enrollees of the need to select new plans for 2016; however, because some plans' enrollment and address lists may not be up-to-date, we encourage you to accept belated changes.

Table 3: FEHB Plans Reducing Service Areas without Terminating Enrollment Codes

What Must Employees Do?

Employees in the service areas being terminated should elect a new health plan for 2016; 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 plans listed in **Table 3** 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 2016.
- Distribute copies of this list to employees with your agency's notice about Open Season along with copies of the **second 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 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 plans in **Table 3** have been instructed to notify enrollees that their respective service areas are being terminated. If enrollees do not choose another health plan, the enrollees 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 2016. However, because a plan's enrollment and address lists may not be up-to-date, we encourage you to accept belated changes.

Table 4: FEHB Plan Terminating Option and Enrollment Codes

What Must Employees Do?

- Employees in the plan dropping an option (**Table 4**) may choose a new health plan during Open Season or remain with their current plan and be switched automatically into the plan's remaining option specified in **Table 4**.
- **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, 2016; **for most employees this will be Sunday, January 10, 2016.** Enrollees will remain covered and receive the 2015 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 the plan that is dropping an option (**Table 4**) that if they do not choose a new health plan, they will be automatically transferred into the plan's remaining option as specified in **Table 4**.
- Distribute copies of this list to employees with your agency's notice about Open Season.
- Follow up with employees in the plan and remind them that if they do not choose a new health plan, they will be automatically transferred into the plan's remaining option specified in **Table 4**.
- **Belated changes:** Some employees still might not receive instructions regarding their plan dropping an option. We encourage you to be liberal in accepting belated Open Season changes from employees enrolled in the plan dropping an option listed in **Table 4**.

What Will the Health Plan Do?

- **Plan Notification:** The plan in **Table 4** has 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 4**.

Table 5: FEHB Plan Contract and Enrollment Code Merger with Terminating Enrollment Codes

What Must You Do?

- Advise your employees who are enrolled in the plan that is merging into another plan that if they do not choose a new health plan, they will be automatically transferred into the new plan and enrollment code as specified in **Table 5**.
- Distribute copies of this list to employees with your agency's notice about Open Season.
- Follow up with employees in the plan and remind them that if they do not choose a new health plan, they will be automatically transferred into the new plan and enrollment code as specified in **Table 5**.

- **Belated changes:** Some employees still might not receive instructions regarding their plan dropping an option. We encourage you to be liberal in accepting belated Open Season changes from employees enrolled in the plan dropping an option listed in **Table 5**.

What Will the Health Plan Do?

- **Plan Notification:** The plans in **Table 5** 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 new plans as specified in **Table 5**.

Table 6: Enrollment Code Merging Into a Different FEHB Plan

Table 7: Service Area Movement to Another Existing Enrollment Code

Table 8: New Plans Entering the FEHB Program

Table 9: FEHB Plans Adding New Options and Enrollment Codes

Table 10: Service Area Expansions without New Enrollment Codes

Table 11: FEHB Plan Name Change

What Must You Do?

You must include the merged plan, moved service area, new plans, the plans with new options, and the plans with expanded service areas (Tables 6-11) when you count the number of eligible employees and place your order for brochures.

SUMMARY OF BENEFITS AND COVERAGE - REMINDER

As a result of the Affordable Care Act, FEHB plans have been providing a summary document on their websites which details information about health plan benefits and coverage. The summary document is also available on our website at www.opm.gov/healthcare-insurance/healthcare/plan-information/summary-of-benefits.

In order to help FEHB enrollees better understand their coverage and allow them to easily compare different plans and plan options, the Summary of Benefits and Coverage (SBC) document includes information on the following:

- Cost - deductibles, copayments, coinsurance, and out-of-pocket limits
- Coverage - covered services, examples of covered services and excluded services
- Rights - rights to continue coverage as well as grievance and appeal rights
- A statement that coverage under the plan qualifies as “minimum essential coverage”
- A statement that the health coverage of the plan does meet the minimum value standard for the benefits the plan provides

The SBC will continue to have a disclaimer indicating that the plan brochure remains the official statement of benefits.

Plans will continue to provide information in their Open Season materials to their enrollees about where to find their SBC on their website as well as how to obtain a paper copy of the SBC. The plans may also have their SBC available at health fairs.

CONCLUSION

Again, this year's Federal Benefits Open Season will run from Monday, November 9 through Monday, December 14, 2015.

We encourage you and your employees to visit our website at www.opm.gov/openseason for the most up-to-date information. Please note that 2016 Plan information will be posted on our website by the first week of 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