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# FEHB Program Carrier Letter

## All Carriers

U.S. Office of Personnel Management  
Office of Insurance Programs

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**Letter No. 2000-10**

**Date: March 1, 2000**

Fee-for-service [ 9 ]

Experience-rated HMO [ 10 ]

Community-rated HMO [ 10 ]

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**SUBJECT:** Premium conversion

The office of Personnel Management (OPM) recently issued Benefits Administration Letter (BAL) number 00-204, dated February 14, 2000, concerning Premium Conversion. This BAL informed Federal agencies that OPM will soon issue new rules to permit employees of all Executive branch agencies to pay their share of premiums under the Federal Employees Health Benefits (FEHB) Program with pre-tax dollars. As a result, most employees will see an increase in their take-home pay and the Federal Government will be more competitive employer.

You may view the BAL at <http://www.opm.gov/asd/htm2000/00-204.htm>. FEHB carriers are not required to take any action on this.

Sincerely,

(signed)

Frank D. Titus  
Assistant Director  
for Insurance Programs