
FEHB Program Carrier Letter

All Carriers

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

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Fee-for-service [51]

Experience-rated HMO [48]

Community-rated HMO [47]

**Subject: Department of Defense and Federal Employees Health Benefits Program
Demonstration Project**

This letter is a follow-up to the session on the Demonstration Project at our recent Carrier Conference. At the conference, a few of you raised some good questions and we committed to provide you with definitive answers. Enclosed in a question and answer format are our responses, along with some additional policy and operational guidance. We will send a letter specifically discussing carrier reporting shortly.

If you have any other issues or questions, contact Mike Kaszynski in our Policy and Information Division via the Internet (mwkaszyn@opm.gov) or call him at 202-606-0004.

Sincerely,

(signed)
Frank D. Titus
Assistant Director
for Insurance Programs

Enclosure

FEHB/DoD Demonstration Project Policy and Operational Guidance Questions and Answers

- Q. Can carriers get mailing labels from the Call Center to mail marketing literature directly to DoD eligibles?**
- A.** The Iowa Foundation for Medical Care (Call Center) will send benefit brochures, enrollment guides, and rates to eligible individuals. The Call Center will not provide carriers with mailing labels. However, carriers should respond to requests from individuals for provider directories. Carrier marketing literature may be distributed along with directories if the materials meet the NAIC guidelines contained in your FEHB contract.
- Q. How will individuals get PPO or HMO directories?**
- A.** We are telling eligible individuals to call the plans for directories.
- Q. Can carriers get further clarification on reporting requirements for the demonstration project?**
- A.** We will be providing specific guidance on reporting requirements shortly.
- Q. How will carriers differentiate premiums paid on behalf of DoD enrollees from premiums paid on behalf of regular FEHB enrollees since we will be using the same enrollment codes.**
- A.** Our premium notices and quarterly reports will have amounts for the demonstration project group broken out separately.
- Q. Is the toll-free telephone number working correctly at the Call Center?**
- A.** DoD has had its phone service provider check the line. DoD has also tested the line. Everything appears to be functioning correctly. Callers should note that the toll-free exchange is 877 not 800 or 888.

Q. Since the Employee Express format does not provide information about the entitling enrollment (active or retired member of the uniformed services name and SSN), date of event/eligibility end date, how will the Call Center process TCC enrollments? Will this be done electronically, through the Macon Hub, or on paper sent directly to the carrier?

A. The Call Center will process TCC enrollments using paper SF 2809s. The Call Center will write the name and social security number of the person (active or retired member of the uniformed services) upon which the TCC enrollee's enrollment is based in the comment section of the SF2809 and indicate that it is a TCC enrollment. They will write the date of the event that allowed the enrollment and the end date of the TCC enrollment on the form. The Call Center will send one copy of the form to the health carrier and one to the enrollee. The Call Center will also keep a copy. A letter will accompany the enrollee's copy of the form telling the person to use the SF 2809 as proof of enrollment in the health plan until they receive their ID card.

Q. When an enrollment is processed through the Macon Hub, what will the enrollee use as proof of enrollment until they receive their health plan ID card?

A. The Call Center will send an enrollment confirmation letter telling members to use a copy of it as proof of enrollment until they receive their ID card.

Q. How will carriers receive family member updates – through DOD (OPM-Macon) or directly from enrollees?

A. Just like in the regular FEHB Program, enrollees already covered by a self and family enrollment will notify the carrier directly to add new family members. To verify eligibility, carriers should first contact the enrollee. If necessary, the carrier can then contact the Call Center to verify eligibility.

If an enrollee is moving from a self only to a self and family enrollment, the enrollee must fill out another SF 2809 and submit it to the Call Center with all family members listed. The Call Center will send the new enrollment information to the carriers.

Q. Are DoD TCC enrollees exempt from paying associate membership dues?

A. If carriers exempt TCC enrollees under the FEHB Program, then they must exempt them under the demonstration project.

Q. If a DoD enrollment is terminated for non-payment of membership dues, is the enrollee eligible to enroll in another plan?

A. We will not terminate the enrollment of a DoD enrollee for non-payment of membership dues. However, the carrier can request that the Call Center transfer the enrollee to another carrier. The Call Center will contact the enrollee to have them select a new carrier and then send letters to the enrollee and both the losing and gaining carriers to confirm the transfer of enrollment.

Q. If a DoD enrollee dies while enrolled in a self and family enrollment, will the Call Center automatically enroll any family members who are eligible to enroll in their own right? How will a deductible be handled if the new enrollee had met any or all of the deductible under their prior enrollment as a family member?

A. The Call Center will call the survivor and ask if they would like to enroll in their own right in the demonstration project. The Call Center will inform the survivor that they will be required to pay the enrollee's share of the premium if they continue the enrollment. If the survivor accepts the offer, the Call Center will send a letter to the survivor confirming the conversation and send the carrier a letter notifying them of the enrollment transfer. The letter will include the name and social security number of the enrollee who died, the reason for the enrollment, and the effective date of the new enrollee's enrollment.

If the new enrollee continues under the same health plan, dollar amounts applied toward the calendar year deductible of the individual under the prior self and family enrollment will apply toward the deductible of the new enrollment. If the individual enrolls in a different health plan that has a deductible, the enrollee must meet the new deductible.