

Meeting of Agency Payroll Office Officials



Wednesday
January 9, 2002
OPM Auditorium

Federal Long Term Care Insurance Program



Frank Titus
Assistant Director
for Long Term Care

NOT!



We Have Insurance Partners!

- We awarded a contract on December 18th, 2001
- Long Term Care Partners, LLC
 - Metropolitan Life Insurance Company
 - John Hancock Life Insurance Company
 - Working together



Enrollment/Education

- Early enrollment opportunity in late March of this year
 - Only for those who don't need education
 - NO payroll deduction
- Extensive education/marketing campaign



Enrollment/Education

- Open season late summer/early fall (perhaps earlier -- we're working on those details now)
- Earliest effective date for open season enrollments is **October 1, 2002**
- So payroll deductions must be ready BY October 1, 2002, but NOT EARLIER



Payroll Advisory Group

- Ad hoc group of agency payroll folks who volunteered to help us spearhead the payroll issues
 - OPM, State, Labor, Interior
 - USDA/NFC, NASA, DFAS
 - VA, USPS, House, GSA



Payroll Advisory Group

- We've met with them several times already
- The group helped draft a Payroll Strawman document



Payroll Strawman Document

- Some items will probably not change
- Others need further discussion
- We're scheduling another advisory group meeting later this month
- Then we'll brief ALL payroll officers again



This is DIFFERENT than FEHB & FEGLI

- Payroll deductions go directly to LTC Partners -- NOT to OPM
- LTC Partners will work individually with EACH agency -- through account reps
- LTC Partners will do most of the work and work within YOUR constraints



Items That Likely Won't Change

- The process will be as easy as possible on the agencies
- Employees will submit applications directly to LTC Partners -- NOT to the agencies
- Employees should be directed to LTC Partners for any questions



Items That Likely Won't Change

- Payroll deduction will be the DEFAULT (not for early enrollment)
- However, employees can elect a direct debit from their bank account instead
- Employee authorizations for payroll deduction will be kept with LTC Partners contractor, NOT at the agency



Items That Likely Won't Change

- LTC Partners will send a file to agencies indicating who to withhold premiums from, and the amount of the premiums
 - NO premium look-up tables at agencies like with FEHB or FEGLI



Items That Likely Won't Change

- Premiums are NOT subject to premium conversion
- Employees can request payroll deductions for premiums of qualified family members who enroll
- All changes/adjustments/corrections will be initiated by LTC Partners, NOT the agency



Items That Likely Won't Change

- LTC Partners will adapt to YOUR payroll system
- Employees will self-certify pay & duty status -- agencies will NOT police it
- LTC Partners MAY ask for confirmation of pay & duty status



Items That Likely Won't Change

- Agencies will remit deducted premiums to LTC Partners along with limited information supporting the deductions
- Agencies will use Automated Clearing House network, the CTX format, to send premiums to LTC Partners



Items That Likely Won't Change

- NO reconciliation of enrollment
- LTC Partners is SOLELY responsible for making sure it receives the proper premiums



Items That Need More Discussion

- Several items aren't set yet
- The final answers to these items may be different for different agencies
- That's OK!



Items That Need More Discussion

- "Three Strikes You're Out" method for requesting payroll deduction
- How to transfer information when employees change agencies or retire
- Whether to automatically resume deductions after return from non-pay status



Items That Need More Discussion

- Order of precedence for FLTCIP premium deductions
- Pay and duty status requirements for uniformed services
- Best way to verify pay and duty status



Items That Need More Discussion

- Whether to send agencies change files only, or a complete file each pay period
- How to code file to show why there were no deductions for a particular employee



Continuing Process

- We continue to work on this process
- Our objective is to make it as easy on agency payroll offices as possible
- We'll report more details as soon as we have them



Thank You!

- Any questions?
- Email: finance@opm.gov
or
ltc@opm.gov
- Website: opm.gov/insure/ltc
(click on HR page for info on
subscribing to LTCInfo listserv)