



Benefits Administration Letter

Number: 03-403

Date: November 3, 2003

**Subject: 2003 Federal Employees Health Benefits (FEHB) Program Open Season:
Significant Plan Changes**

PURPOSE

This letter transmits significant events affecting certain plans during the upcoming FEHB Open Season. Some of these events will require action on the part of agencies and enrollees. Also note the plans that are dropping out of the Program at the end of 2003. Since employees in these plans **must** enroll in new plans during open season if they are to continue insurance coverage in 2004, we ask that you distribute this list widely within your agencies.

These end-of-year changes such as plan terminations are already available on the web site on the plan changes page. Visit www.opm.gov/insure/health and you will find a link directly to the health plan changes for 2004. There is also a link from the Human Resources page to the plan changes.

We encourage you and your employees to visit the web site at www.opm.gov/insure for the most up to date information. We will update these pages on a regular basis throughout the open season.

TERMINATIONS

Section 1: Plans Dropping Out of the FEHB Program for 2004

Section 2: Plans Reducing Their Service Areas by Terminating an Enrollment Code

What Must Employees Do?

- Employees in terminating plans (Section 1) or in terminating codes (Section 2) **must** choose a new health plan during open season.
- **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, 2004; **for most employees this will be January 11, 2004.** Enrollees will remain covered and receive benefits under the old plan until coverage under the new plan becomes effective.

What Must You Do?

- You must notify employees in the terminating plans and enrollment codes to select new plans. Advise your employees that if they do not choose new health plans, they will not have coverage in 2004.

- We strongly recommend that you distribute copies of these lists to each employee, along with your agency's notice about open season.
- We also recommend that you follow up with employees in these plans and remind them to select new plans.
- **Belated changes.** Some employees still might not get the word to change plans during open season. We encourage you to be liberal in accepting belated open season changes from employees enrolled in terminating plans/enrollment codes.

What Will Health Plans Do?

- **Plan Notification:** The plans in sections 1 and 2 have been instructed to notify enrollees of the need to select new health plans for 2004. However, because some plans' enrollment and address lists may not be up-to-date, we encourage you to accept belated changes.

SERVICE AREA REDUCTIONS

Section 3: Plans Reducing Their Service Areas Without Terminating an Enrollment Code

What Must Employees Do?

- Enrollees in the service areas being terminated must elect new health plans for 2004. Enrollees who do not choose new health plans will have to travel to their plan's remaining service area to receive full benefits.

OTHER CHANGES

Section 4: New Plans Entering the Program for 2004

Section 5: Service Area Expansions With New Enrollment Codes

What Must You Do?

- We strongly recommend that you distribute a copy of these lists to each employee, along with your agency's notice to employees about open season.
- If you do not distribute the lists, remind employees to check their new health plan brochures carefully to see if there have been any changes to their plans' service areas that will affect them.

Section 6: Service Area Expansions Without New Enrollment Codes

What Must You Do?

- You must include these new plans and expanded service areas when you count the number of eligible employees and place your orders for brochures.

Section 7: Plan Name Changes

Section 8: Plans Adding an Option

Section 9: Plans Dropping an Option

Section 10: Plans with New Contract Number

Section 11: Plans Adding a Point Of Service Product

Section 12: Plan Merger

What Must Employees Do?

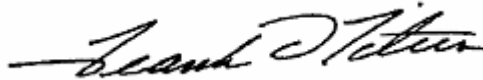
- This plan is merging with another plan at the end of 2003. Enrollees in code RK and live in Gainesville or Tallahassee must make an enrollment change to the new code for their service area or elect another health plan during the open season.

Section 13: Code Mergers

Section 14: Plans Splitting a Service Area

SPECIAL NOTICE

- SAMBA (enrollment code 44), a nationwide fee-for-service plan open to specific groups has extended its eligible enrollment population for 2004 to include all divisions and agencies of the Department of Homeland Security (DHS).



Frank D. Titus
Assistant Director
for Insurance Services

Attachments

Updated November 17, 2003