



Benefits Administration Letter

Number: 05-405

Date: October 13, 2005

**Subject: 2005 Federal Employees Health Benefits (FEHB) Program Open Season:
Significant Plan Changes**

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 2005. Since employees in these plans **must** enroll in new plans during Open Season if they are to continue insurance coverage in 2006, we ask that you distribute this list widely within your agencies.

TERMINATIONS

Table 1: Plans Dropping Out of the FEHB Program for 2006.

What Must Employees Do?

- Employees in terminating plans (Table 1) **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, 2006; ***for most employees this will be January 8, 2006.*** Enrollees will remain covered and receive the 2005 benefits of the old plan until coverage under the new plan becomes effective.

What Must You Do?

- You must notify employees in the terminating plans to select new plans. Advise your employees who are enrolled in terminating plans that if they do not choose new health plans, they will not have coverage in 2006.
- We strongly recommend that you distribute copies of this list 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.

What Will Health Plans Do?

- **Plan Notification:** The plans in Table 1 have been instructed to notify enrollees of the need to select new health plans for 2006. However, because some plans' enrollment and address lists may not be up-to-date, we encourage you to accept belated changes.

Table 2: Plans Dropping an Option

What Must Employees Do?

- Employees in plans dropping an option (Table 2) **may** choose a new health plan during Open Season or remain with their current plan and be switched automatically to the plan's remaining option.
- **New Coverage.** Enrollees will remain covered and receive the 2005 benefits of the old option until coverage under the new plan or option becomes effective. 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, 2006; *for most employees this will be January 8, 2006.*

What Must You Do?

- Advise your employees who are enrolled in a plan that is dropping an option that if they do not choose a new health plan, they will be automatically transferred to the plan's remaining option.
- We strongly recommend that you distribute copies of this list to each employee, along with your agency's notice about Open Season.

What Will Health Plans Do?

- **Plan Notification:** The plans in Table 2 have been instructed to notify enrollees that their current plan option is being discontinued and that they will be switched automatically to their current plan's remaining option unless they choose another health plan during Open Season.

SERVICE AREA REDUCTIONS

Table 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 2006. 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

Table 4: New Plans Entering the Program for 2006

Table 5: Existing plans offering a High Deductible Health Plan (HDHP) without new enrollment codes

Table 6: Existing and/or new plans offering HDHP with new enrollment codes

Table 7: Service Area Expansions with New Enrollment Codes

What Must Employees Do?

- Enrollees in these plans must make an enrollment change to enroll in the new code for their service area or elect another health plan during the open season.

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.

Table 8: Service Area Expansions without New Enrollment Codes

What Must You Do?

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

Table 9: Plan Name Changes

Table 10: Plans Adding a New Standard Option

Table 11: Plans Splitting a Service Area

Table 12: Service Area Movement

Please be aware that additional plan changes may occur after we issue this BAL. We encourage you to visit our web site at: <http://www.opm.gov/insure/health/bal/2005.asp> for the most up to date information. We will update these pages on an as needed basis throughout the Open Season.

SPECIAL NOTICE: *OPM urges agencies to accept belated enrollments from employees affected by Hurricanes Katrina and Rita.*

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Attachment