

PAYROLL OFFICE LETTER

U. S. Office of Personnel Management

Number: P-99-09

Date: March 8, 1999

Subject: Federal Employees Health Benefits (FEHB) Program: Termination of HIP Health Plan of Pennsylvania, Code 5J

This is to inform you that HIP Health Plan of Pennsylvania, Code 5J, will no longer participate in the FEHB Program after April 30, 1999. This will impact agencies with employees in the Philadelphia area and Bucks, Chester, Delaware, and Montgomery counties of Pennsylvania where the plan provides coverage.

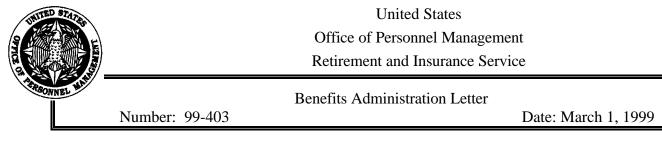
This information was forwarded to agency benefits officers in Benefits Administration Letter (BAL) 99-403, dated March 1, 1999. It can also be located on the Internet at http://www.opm.gov/asd. Please reference the BAL for details on the special open season agencies were authorized to offer to employees covered by the plan.

Please do not process any new enrollments for plan 5J and work with your personnel office to ensure that all employees enrolled in plan 5J are transferred to a new plan. If you have any questions regarding the termination of Health Power HMO, please address them with your agency's Health Benefits Officer.

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Robert A. Yuran, Chief Financial Policy Staff Retirement and Insurance Service

Attachment



Subject: Federal Employees Health Benefits (FEHB) Program: Termination of HIP Health Plan of Pennsylvania, Code 5J

This is to advise you that HIP Health Plan of Pennsylvania, Code 5J, an HMO serving the Philadelphia area and Bucks, Chester, Delaware, and Montgomery counties, is going out of business and will no longer participate in the FEHB Program after April 30, 1999.

Employees may not newly enroll in HIP of Pennsylvania. In addition, we are authorizing a special open season for employees enrolled in the plan to allow them to choose new plans. Employees who wish to maintain FEHB coverage **must** enroll in new plans during this special open season.

HIP of Pennsylvania will send its enrollees a letter on OPM stationery advising them of this special open season. The letter, which enrollees are instructed to present to their personnel offices, explains that the open season is effective immediately and will continue for 30 days from the date of the letter. (However, agencies are asked to apply this cut-off date liberally if necessary.)

Because the plan will cease operations in the middle of a pay period, enrollment changes made during this special open season should be made effective as of the first day of the last pay period in April (April 25 for employees paid biweekly), but no later than May 1, 1999.

Thank you for your cooperation in this matter.

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Abbey Block, Chief Insurance Policy and Information Division